ASIRVAD MICRO FINANCE LIMITED

GENERAL INFORMATION DOCUMENT FOR THE ISSUE OF NON-CONVERTIBLE SECURITIES ON A PRIVATE PLACEMENT BASIS DATED SEPTEMBER 15, 2026
Reference Number: AMFL NCS GID 2026-27

*** Please refer pages 1-7 for all information required to be placed on the front page of a General Information Document as per Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.*

GENERAL INFORMATION DOCUMENT FOR THE ISSUE OF NON-CONVERTIBLE SECURITIES ON A PRIVATE PLACEMENT BASIS
Asirvad Micro Finance Limited (the "Issuer" or "AMFL" or "Company") proposes to issue: **(i) (a) secured and/or unsecured, non-cumulative, redeemable, listed, rated, taxable, non-convertible debentures ("NCDs"), and/or (b) secured and/or unsecured, rated, listed, redeemable, principal protected, market linked non-convertible debentures ("MLDs"); (c) subordinated, unsecured, rated, listed, redeemable, non-convertible debentures in the form of subordinated debt for inclusion as tier II Capital ("Tier II Bonds") and any other non-convertible securities in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("ILNCS Regulations"), in one or more series/ tranches from time to time, on a private placement basis; and** **(ii) unsecured, rated, listed commercial papers ("Commercial Papers") for such aggregate amounts as may be permitted in terms of the resolution of the Board, passed from time to time (on terms as may be further provided in the relevant Key Information Document),** **under this General Information Document, to be listed on the wholesale debt market ("WDM") segment of the BSE Limited ("Stock Exchange" or "BSE") (and such issuance being referred to as the "Issue").** **The NCDs, the MLDs, Tier II Bonds, issued/ to be issued by the Issuer pursuant to this General Information Document are hereinafter collectively referred to as "Bonds".** **The base issue size/ green shoe option in relation to each Series of non-convertible securities, as may be applicable, will be identified in the relevant Key Information Document. The Issuer has applied for the in-principle approval with BSE. The in-principle approval letter shall be annexed in the Key Information Document. This disclosure document dated September 15, 2026(the "General Information Document") containing disclosures in accordance with Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the SEBI Master Circular for the Issue and Listing of Non-Convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 15 October 2025 each as amended, is in relation to the Issue on a private placement basis by AMFL.** **It is hereby clarified that Section 26 of the Companies Act, 2013 ("Companies Act") is not applicable to the Issue, and therefore no additional disclosures have been made in relation to Section 26 of the Companies Act under this General Information Document and accordingly, a copy of this General Information Document has not been filed with the Registrar of Companies.**

CHAPTER V NON-APPLICABILITY DISCLAIMER: THE ISSUER MAY AT ITS SOLE DISCRETION AND

SUBJECT TO COMPLIANCE WITH APPLICABLE LAW ISSUE BONDS UNDER CHAPTER V OF THE SEBI NCS REGULATIONS WHICH CAN BE CLASSIFIED AS 'NON-EQUITY REGULATORY CAPITAL'. IN THE EVENT THE ISSUER SEEKS TO ISSUE ANY TRANCHE/ SERIES OF BONDS WHICH CAN BE CLASSIFIED AS 'NON-EQUITY REGULATORY CAPITAL' IT SHALL MAKE THE RELEVANT DISCLOSURES AND DISCLAIMERS IN RELATION TO THE SAME UNDER THE KEY INFORMATION DOCUMENT TO BE ISSUED FOR SUCH TRANCHE/ SERIES OF BONDS.

PERIOD OF VALIDITY OF THIS GENERAL INFORMATION DOCUMENT: This General Information Document is related to the proposed issue of Bonds and/or Commercial Papers by the Company on a private placement basis in Tranches/Series and contains relevant information and disclosures required for the purpose of issuing the Bonds and/or Commercial Papers. This General Information Document shall be valid for a period of 1 (one) year from the issue opening date of the first Tranche/Series of Bonds and/or Commercial Papers issued by the Company under this General Information Document and in respect of each subsequent offer of Bonds and/or Commercial Papers, during the period of validity of this General Information Document, theCompany shall file with the Stock Exchange, a Key Information Document with respect to each Tranche/Series, containing details of the private placement and material changes, if any, in the information set out under this General Information Document including the financial information provided in this General Information Document, in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other Applicable Laws. The peer review certificate number of auditors of the Company, A John Moris & Co., Chartered Accountants, is 14619.

Issuer details:

Corporate Identity Number	U65923TN2007PLC064550	**Registration / identification number issued by any regulatory authority which regulates such issuer (viz. Reserve Bank of India, IRDAI etc)**	Registered as a non-banking financial company with the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934 bearing registration number – N-07-00769 dated December 14, 2007. The RBI has granted NBFC-MFI status to our Company with effect from October 4, 2013, pursuant to an endorsement on our certificate of registration dated September 27, 2016. The Insurance Regulatory and Development Authority of India (IRDAI) has granted a Certificate of Registration to the Company to act as a Corporate Agent (Composite) under sub-section (1) of Section 42D of the Insurance Act, 1938, bearing Registration No. CA1130 dated May 26, 2026.
Telephone No	**Phone**: +91-9345960647	**Permanent AccountNumber**	AAGCA5275J
Website address	www.asirvadmicrofinance.co.in	**Email address**	cs@asirvad.in, sec@asirvad.in
Date of incorporation	August 29, 2007	**Place of incorporation**	Chennai, Tamil Nadu, Republic of India

Registered Office and Corporate Office of the Issuer	**Registered Office:** CEEBROS MANJULA, 3rd Floor, Office No. 1, New No.39, Old No.45, Montieth Road, Egmore, Opp: Indian Red Cross Society, Chennai, Tamil Nadu - 600 008 **Corporate Office**: Building No. 4/85 B, C & D, Chanthappadi, Valapad, Thrissur, Kerala, PIN-680567	**Compliance Officer and Company Secretary of the Issuer**	**Name:** Mr. Mithun B Shenoy **Contact No**: +91-9345960647 **Email**: cs@asirvad.in
Promoter of the Issuer	**Name**: Manappuram Finance Limited **Contact No.**: 0487-3050000 **Email**: mail@manappuram.com **Name:** Mr. V P Nandakumar **Contact No.:** 0487 3050444 **Email:** chairman@manappuram.com	**CFO of the Issuer**	**Name**: Mr. Amandeep Singh **Contact No.**: +91-6374214189 **Email**: cfo@asirvad.in
Trustee of the Issue	**CATALYST TRUSTEESHIP LIMITED** CATALYST Believe In Yourself... Trust Us! CIN: U74999PN1997PLC110262 **Address**: GDA House, Plot No.85, Bhusari Colony (Right), Paud Road, Pune – 411038 and having a branch office at 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013, Maharashtra, India **Phone**: +91 22 4922 0555 **Email**: ComplianceCTL-Mumbai@ctltrustee.com **Website**: https://catalysttrustee.com/ **Contact Person**: Mr. UmeshSalvi	**Registrar of the Issue**	**MUFG INTIME INDIA PRIVATE LIMITED** MUFG **Address**: "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028, Tamil Nadu, India **Phone**: +91 422 2314792/ 5792, 4958995, 2539835/ 836 **Fax**: +91 422 2539837 **E-mail**: coimbatore@in.mpms.mufg.com **Website**: https://www.in.mpms.mufg.com **Contact Person**: Ms. S. Dhanalakshmi

Auditor of the Issuer	**A John Moris & Co., Chartered Accountants** A. JOHN MORIS & CO., CHARTERED ACCOUNTANTS **Address:** No.5, Lakshmipuram 1st Street, Deivasigamani Road, (Near music Academy), Royapettah, Chennai - 600014, Tamil Nadu, India **Phone:** +91 9444040332 **Website:** https://www.ajohnmoris.com/ **Email:** ajohnmoris@gmail.com **Contact person**: CA.A John Moris	**Arrangers (if any)**	As per Key Information Document, if any
		Legal Counsel (if any)	As per the relevant Key Information Document.
Credit Rating Agency of the Issue	Crisil Ratings Limited Crisil a company of S&P Global **Address:** Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400 072, Maharashtra,India **Phone :** +91 22 6137 3000 **Website:** https://www.crisil.com/ **Contact Person** : Prashant Mane **Mail Id:** prashant.mane@crisil.com	**Date and Type of General Information Document**	This is a General Information Document dated September 15, 2026 and is being issued in relation to the private placement basis of Bonds and Commercial Papers. The Issuer will issue a separate key information document ("**Key Information Document**") for each issuance of Bonds and Commercial Papers pursuant to this General Information Document.
Issue Size and nature, number, price and amount of securities offered and issue size (base issue or green-shoe), as may be applicable	As set out in the relevant Key Information Document.	**The name(s) of the stock exchanges where the securities are proposed to be listed**	The Bonds and Commercial Papers are proposed to be listed on the wholesale debt market of BSE.

Details about underwriting of the issue including the amount undertaken to be underwritten by theunderwriters	Details about Underwriting with respect to each Tranche/ Series of Bonds and Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Bonds and Commercial Papers.	**Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to uploading the General Information Document on the Electronic Book Provider Platform**	The Issuer has complied with all the provisions related to electronic book mechanism and the same shall be uploaded on BSE BOND-EBP platform. Please also refer to **Annexure I** of this General Information Document.

CREDIT RATING

The Bonds and Commercial Papers proposed to be issued by the Issuer have been / shall be rated by the minimum number of rating agencies as required by the applicable SEBI regulations and the RBI Regulations, which shall be disclosed in the Key Information Document from time to time for each Series / Tranche of Bonds and Commercial Papers. The ratings shall not constitute a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency(ies) shall have a right to suspend or withdraw the rating at any time based on factors such as new information.

GENERAL RISKS

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities, unless they can afford to take the risks attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the Issue including the risks involved in it. Specific attention of investors is invited to the statement of risk factors contained under Section II of this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

The Issue of Bonds and Commercial Papers have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of this document.

DETAILS OF ELIGIBLE INVESTORS

Eligible Investors shall include all persons eligible to invest in these Bonds and Commercial Papers as permitted under Applicable Lawsincluding but not limited to the following:

(a) Scheduled commercial banks in India;
(b) Non Banking Finance Companies (NBFCs) and Residuary Non-Banking Companies (RNBCs) registered with RBI;
(c) Indian companies;
(d) Mutual Funds;
(e) Regional Rural Banks in India;
(f) Insurance companies registered with IRDA;
(g) Financial institutions, including All India Financial Institutions;
(h) Housing finance companies registered with the National Housing Board;
(i) SEBI registered foreign portfolio investors;

(j) Qualified Institutional Buyers as defined under as defined under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time; and

(k) Other eligible investors as per the concerned guidelines and regulations.

ISSUER'S ABSOLUTE RESPONSIBILITY

THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR AND CONFIRMS THAT THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE, THAT THE INFORMATION CONTAINED IN THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT INFORMATION DOCUMENT IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY STATED AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS DOCUMENT AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING.

ISSUE SCHEDULE

Particulars	Date
Date of Opening of the Issue	The Issue Opening Date with respect to each Tranche/ Series of Bonds and/or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures
Date of Closing of the Issue	The Issue Closing Date with respect to each Tranche/ Series of Bonds and/or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures
Date of Earliest Closing of the Issue	The Date of Earliest Closing of the Issue with respect to each Tranche/ Series of Bonds and/or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures
Pay In Date	The Pay In Date with respect to each Tranche/ Series of Bonds and/or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures
Deemed Date of Allotment	The Deemed Date of Allotment with respect to each Tranche/ Series of Bonds and/or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.

Notes:

- The Issuer reserves the right to change the Issue Closing Date and in such an event, the Deemed Date of Allotment for the Bonds and/or Commercial Papers may also be revised by the Issuer at its sole and absolute discretion.
- The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue schedule.

Details of Credit Rating of the Securities, along with the latest press release of the Rating Agencies: As per the relevant Key Information Document.

All the ratings obtained by the Company for the securities: As per the relevant Key Information Document.

Coupon/dividend rate, coupon/dividend payment frequency, redemption date, redemption amount:

(i) **Coupon Rate**: As provided under the relevant Key Information Document

(ii) **Coupon payment frequency**: As provided under the relevant Key Information Document

(iii) **Scheduled Redemption Date**: As provided under the relevant Key Information Document

(iv) **Redemption Amount**: As provided under the relevant Key Information Document

(v) **Redemption Premium/Discount**: As provided under the relevant Key Information Document

TABLE OF CONTENTS

DISCLAIMERS 10
SECTION I 16
GENERAL DEFINITIONS AND ABBREVIATIONS 16
SECTION II 21
RISK FACTORS 21
SECTION III 29
FINANCIAL STATEMENTS 29
SECTION IV 30
REGULATORY DISCLOSURES 30
PART A 30
SECTION V 119
ISSUE DETAILS 119
SECTION VI 124
UNDERTAKINGS 124
SECTION VII 127
DECLARATIONS AND UNDERTAKINGS BY THE ISSUER 127
ANNEXURE I 128
ELECTRONIC BOOK MECHANISM 128
ANNEXURE II 131
FINANCIAL STATEMENTS OF THE COMPANY FOR THE LAST 3 YEARS 131
ANNEXURE III 132
CONSENT LETTER FROM THE TRUSTEE AND REGISTRAR 132
ANNEXURE IV 133
PART A - FORM PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER 133
ANNEXURE V 142
ILLUSTRATION OF CASH FLOW FROM DEBENTURES 142
ANNEXURE VI 143
ANNEXURE VII 150
DUE DILIGENCE CERTIFICATE ISSUED BY THE DEBENTURE TRUSTEE 150
ANNEXURE VIII 151
SHAREHOLDERS' RESOLUTIONS (SECTION 180(1)(C) AND SECTION 180(1)(A) OF THE COMPANIES ACT, 2013) 151
ANNEXURE IX 152
BOARD RESOLUTION 152
ANNEXURE X 153
AUDITOR CONSENT LETTER 153

DISCLAIMERS

1. GENERAL DISCLAIMER

This General Information Document is not a prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Bonds and/or Commercial Papers to be issued by the Issuer. Neither this General Information Document nor any other information supplied in connection with the contemplated issue should be construed as legal, tax, accounting or investment advice, and you should consult with your own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment pursuant to this General Information Document.

The Issue is proposed to be listed on the BSE and is being made strictly on a private placement basis. This General Information Document is not intended to be circulated to persons other than those as identified by the Issuer pursuant to the provisions of Section 42 of the Companies Act. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Bonds and/or Commercial Papers to the public in general.

This General Information Document is for private placement of Bonds and Commercial Papers and has been prepared in conformity with the SEBI Debt Listing Regulations, RBI CP Master Directions and Section 42 of the Companies Act and the Companies (Prospectus and Allotment of Securities) Rules, 2014. This General Information Document is also in compliance with the Listed NCDs Operational Circular. As per the applicable provisions, copy of this General Information Document has not been filed or submitted to SEBI for its review and/or approval.

This General Information Document has been prepared to provide general information about the Issuer to potential investors to whom it is addressed and who are eligible and willing to subscribe to the Bonds and Commercial Papers. This General Information Document does not purport to contain all the information that any potential investor may require. Neither this General Information Document, nor any other information supplied in connection with the Bonds and Commercial Papers is intended to provide the basis of any credit orother evaluation and any recipient of this General Information Document should not consider such receipt a recommendation to purchase any Bonds and/or Commercial Papers. Each investor contemplating the purchase of any Bonds and/or Commercial Papers should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Each recipient of this General Information Document acknowledges that such person has not relied on the Issuer or any of its affiliates, shareholders, directors, employees, agents or advisors in connection with its investigation of the accuracy of such information or its investment decision and such person has relied solely on its own examination of the creditworthiness of the Issuer and the merits and risks involved in investing in the Bonds and/or Commercial Papers. Potential investors should consult their own financial, legal, tax, and other professional advisors as to the risks and investment considerations arising from an investment in the Bonds and/or Commercial Papers and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances.

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this General Information Document or in any material made available by the Issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized

by the Issuer.

This General Information Document and the contents hereof are restricted to only the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Bonds and/or Commercial Papers. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this General Information Document are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this General Information Document being issued have been sent by or on behalf of the Issuer. Any application by a person to whom the General Information Document has not been sent by or on behalf of the Issuer shall be rejected without assigning any reason.

This General Information Document is not intended to be (and should not be used as) the basis of any credit analysis or other evaluation and should not be considered as a recommendation by the Issuer or by any other person who participates in the issue or advice of any sort. It is understood that each recipientof this General Information Document will perform its own independent investigation and credit analysis of the proposed financing and the business, operations, financial condition, prospects, creditworthiness, status and affairs of the Issuer, based on such information and independent investigation as it deems relevant or appropriate and without reliance on this General Information Document.

Each person receiving this General Information Document acknowledges that:

Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein. Each such person (i) is a knowledgeable and sophisticated investor; (ii) has the expertise in assessing the credit, market and all other risks involved in purchasing the Bonds and/or Commercial Papers; (iii) has done its own independent assessment and analysis of the Issue; (iv) understands that, by purchase or holdingof the Bonds and/or Commercial Papers, it is assuming and is capable of bearing the risk of loss that may occur with respect to Bonds and/or Commercial Papers, including the possibility that it may lose all or a substantial portion of investment.

The Issuer does not undertake to update the General Information Document to reflect subsequent events after the date of the General Information Document.

The Issuer accepts no responsibility for statements made otherwise than in this General Information Document or in the advertisement or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at their own risk.

Neither the delivery of this General Information Document nor any sale of Bonds and/or Commercial Papers made hereundershall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This General Information Document does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorizedor to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Bonds and/or Commercial Papers or the distribution of this General Information Document in anyjurisdiction where such action is required. The distribution of this General Information Document and the offering and sale of the Bonds and/or Commercial Papers may be restricted by law in certain jurisdictions. Persons into whose possession this General Information Document comes are required to

inform themselves about and to observe any such restrictions. The General Information Document is made available to investors in the Issue on the strict understanding that the contents hereof are strictly confidential.

It is the responsibility of investors to ensure that any transfer of the Bonds and/or Commercial Papers is in accordance with this General Information Document and the Applicable Laws and ensure that the same does not constitute an offer to the public.

The information and data contained herein is submitted to each recipient of this General Information Document on a strictly private and confidential basis. By accepting a copy of this General Information Document, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the subscription to the Issue or will divulge to any other party any such information. This General Information Document must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer.

2. DISCLAIMER CLAUSE OF THE RESERVE BANK OF INDIA

The Issuer is a non-banking financial company having a valid certificate of registration from Reserve Bank of India dated December 14, 2007 bearing no. N-07-00769 to carry on the activities of an NBFC without accepting public deposits under Section 45-IA of the RBI Act. The RBI has granted NBFC-MFI status to our Company with effect from October 4, 2013, pursuant to an endorsement on our certificate of registration dated September 27, 2016. However, RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for repayment of deposits/ discharge of liability by the Company.

3. DISCLAIMER OF THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

The Issuer has a valid certificate of registration dated May 26, 2026, issued by IRDAI under Section 3 of the Insurance Act, 1938. The Bonds have not been recommended by IRDAI nor does IRDAI guarantee the accuracy or adequacy of this General Information Document. It is to be distinctly understood that this General Information Document should not in any way be deemed or construed to have been approved or vetted by IRDAI. IRDAI does not take any responsibility either for the financial soundness of any proposal for which the Bonds issued hereof is proposed to be made or for the correctness of the statements made or opinions expressed in this General Information Document. However, IRDAI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this General Information Document.

4. DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this General Information Document or any Key Information Document has to be filed with or submitted to SEBI for its review / approval.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE GENERAL INFORMATION DOCUMENT WITH THE SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. THE SEBI DOES NOT TAKE ANY

RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE GENERAL INFORMATION DOCUMENT. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

5. DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

As required, a copy of this General Information Document, and each Key Information Document, shall be submitted to the BSE for hosting thesame on its website. It is to be distinctly understood that submission of this General Information Document to BSE or hosting the same on its website should not in any way be deemed or construed that the document has been reviewed, cleared, or approved by the BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document, nor does it warrant that the Issuer's Bonds and/or Commercial Papers will be listed or will continue to be listed on the exchange; nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the exchange whatsoever by reason of any loss which maybe suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

6. DISCLAIMER CLAUSE IN RESPECT OF CREDIT RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information contained in this General Information Document and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

7. DISCLAIMER IN RESPECT OF JURISDICTION

The private placement of Bonds and Commercial Papers is made in India to investors eligible to invest in the same issued on a private placement basis in accordance with the laws of India. This General Information Document does not, however, constitute an offer to sell or an invitation to subscribe to securities offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offeror invitation in such jurisdiction. Any person into whose possession this General Information Document comes is required to observe any such restrictions. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts at Chennai, India. All information considered adequate and relevant about the Issuer has been made available in this General Information Document for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever.

8. ISSUE OF BONDS AND/OR COMMERCIAL PAPERS IN DEMATERIALISED FORM

The Bonds and Commercial Papers will be issued in dematerialized form. The Issuer has made arrangements with the Depositories for the issue of the Bonds and Commercial Papers in dematerialized form. Investors will have to hold the Bonds and Commercial Papers in dematerialized form as per the provisions of the Depositories Act. The Issuer shall take

necessary steps to credit the Bonds and Commercial Papers allotted to the beneficiary account maintained by the Investor with its Depository Participant. The Issuer will make the Allotment to the Investors on the Deemed Dateof Allotment after verification of the Application Form, the accompanying documents and on realization of the application money.

9. RIGHT TO FURTHER ISSUE THE BONDS AND/OR COMMERCIAL PAPERS

The Company reserves the right to make multiple issuances under the same ISIN in accordance with Chapter VIII (Specifications related to ISIN for debt securities) of the Listed NCDs Operational Circular.

The Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISINat premium /par/discount as the case may be in accordance with Chapter VIII (Specifications related toISIN for debt securities) of the Listed NCDs Operational Circular.

10. DISCLAIMER ON VALUATION (Applicable only for MLDs)

The valuation reflects the independent views of the Valuation Agent (as defined hereinafter). It is expressly stated that the valuation is not the view of the Issuer or its affiliates. The Issuer has not reviewed the valuation and is not responsible for the accuracy of such valuations. Further, the valuations provided by the Valuation Agent and made available on the website of the Issuer and the Valuation Agent do not represent the actual price that may be received upon sale or redemption of the MLDs and the said valuations merely represent the Valuation Agent's computation of the valuation which may in turn be based on several assumptions.

11. DISCLAIMER BY THE VALUATION AGENT (Applicable only for MLDs)

Valuation provided by the Valuation Agent in relation to the MLDs reflects the Valuation Agent's opinion on the value of the MLDs on the valuation date and does not constitute an audit of the Issuer by the Valuation Agent. The valuation is based on the information sought from and/or provided by the Issuer or obtained by the Valuation Agent from sources it considers reliable. The Valuation Agent does not guarantee the completeness or accuracy of the information on which the valuation is based. The Valuation Agent specifically states that the valuation is an indicative value of the MLDs on the valuation date and can be different from the actual realisable value of the MLDs. The valuation does not comment on the market price of the MLDs or suitability for a particular investor. The Valuation Agent is not responsible for any errors and especially states that it has no financial liability to the Issuer/investor/users of the valuation. In the event of early redemption/buy back/ any other premature exit, investors may choose to contact the Issuer directly or through their intermediaries (through whom investments in the specified MLDs were made) or, in the alternative, follow the procedure as set out in the relevant disclosure document.

12. DISCLAIMER BY THE DISTRIBUTOR/ADVISOR/INTERMEDIARY (Applicable only for MLDs)

It is advised that the Issuer has exercised self due-diligence to ensure complete compliance of prescribed disclosure norms in this General Information Document. The role of the distributor/advisor/intermediary in the assignment is confined to marketing and placement of the MLDs on the basis of this General Information Document as prepared by the Issuer. The distributor/advisor/intermediary has neither scrutinised/ vetted nor has it done any due diligence for verification of the contents of this General Information Document. The distributor/advisor/ intermediary shall use this General Information Document for the purpose of soliciting subscription from the eligible Debenture Holders, as identified by the Board, for the MLDs to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the aforesaid use of this General Information Document by the distributor/advisor/intermediary should not in any way be deemed or construed that the General Information Document has been prepared, cleared, approved or vetted by the distributor/advisor/intermediary; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this General Information Document; nor

does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. The distributor/advisor/intermediary or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this General Information Document.

SECTION I

GENERAL DEFINITIONS AND ABBREVIATIONS

Capitalized terms used but not defined hereunder shall have the following meaning:

Term	Description
Act or Companies Act	shall mean the Companies Act, 2013 (to the extent notified and effective) or Companies Act,1956 (to the extent applicable), as may be amended from time to time and shall include any statutory amendment or re-enactment thereof from time totime including but not limited to the rules, circulars or orders issued thereunder.
Applicable Law(s)	shall mean any statute, law, regulation, notification, ordinance, rule, judgement, rule of law, order, decree, government resolution, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or governmental or regulatory authority including without limitation stock exchanges, having jurisdiction over the matter in question, whether in effect as of the date of the DTD or thereafter and in each case as amended.
Application Form	shall mean the form used by the recipient of the relevant Key Information Document to apply for subscription to the Bonds and/or Commercial Papers, which form shall be annexed to such Key Information Document.
Application Money	shall mean the subscription amounts paid by the applicant of the Bonds and/or Commercial Papers at the time of submitting the Application Form.
Allot/Allotment/Allotted	unless the context otherwise requires or implies, shall mean the allotment of the Bonds and/or Commercial Papers pursuant to the Issue.
Articles	shall mean the articles of association of the Issuer.
Auditors	A John Moris & Co., Chartered Accountants, statutory auditors of the Issuer.
Board/Board of Directors	shall mean the board of directors of the Issuer for the time being and from time to time.
BSE BOND-EBP Platform/ EBP Platform	shall mean the electronic book provider platform of BSE Limited for issuance of debt securities on private placement basis as more particularly defined in the EBP Requirements.
Committee	shall mean any committee of the Issuer, as the case may be.
Company/Issuer/AMFL/ We/Our Company/Us	shall mean Asirvad Micro Finance Limited, a company incorporated under the Companies Act, 1956 and registered as a non-banking financial company under Section 45-IA of the Reserve Bank of India Act, 1934 and having its registered office at CEEBROS MANJULA, 3rd Floor, Office No. 1, New No.39, Old No.45, Montieth Road, Egmore, Opp: Indian Red Cross Society, Chennai, Tamil Nadu - 600 008.
Coupon Rate or Coupon	shall mean the rate of interest, payable on the Bonds on the Coupon Payment Date, as set out in the relevant Key Information Document.

Coupon Payment Date	shall mean the dates on which the Coupon shall be payable on monthly / quarterly / semi-annually / annual basis, from the Deemed Date of Allotment, as set out in the relevant Key Information Document.
Credit Rating	shall mean the credit rating(s) assigned by the credit rating agency(ies) and disclosed in the relevant Key Information Document.
Debenture Holder(s) or Beneficial Owner(s)	shall mean the persons who are, for the time being, and from time to time, the owners of the Bonds in electronic (dematerialized) form, and whose names appear in the register of debenture holders(s) or the list of the beneficial owner(s)/register of beneficial owners(s) prepared, held and given by the Depository, and "Debenture Holder(s)" or "Beneficial Owner" means each such person and includes their respective successors/ transferees and assigns.
Debenture Trust Deed/DTD	shall mean the trust deed executed / to be executed by and between the Debenture Trustee and the Issuer with respect to the relevant Series/Tranches of the Bonds, which will set out the terms upon which the relevant Series/Tranches of Bonds are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debenture Trustee	shall mean Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Limited) and with respect to each Tranche/ Series of NCDs, shall mean each of the debenture trustee appointed to act for and on behalf of the Debenture Holders, in terms of the Debenture Trustee Agreement.
Debenture Trustee Agreement	shall mean the agreement(s) executed / to be executed by and between the Debenture Trustee and the Issuer for the purposes of its appointment to act as the debenture trustee in connection with the issuance of the Bonds.
Deemed Date of Allotment	shall mean the date of allotment as set out in the relevant Key Information Document.
Depositories Act	shall mean the Depositories Act, 1996 as may be amended from time to time.
Depository/ies	shall mean the depository with whom the Issuer has made arrangements for dematerializing the Bonds namely, National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Limited (CDSL).
Designated Stock Exchange/Exchange/Stock Exchange/BSE	shall mean BSE Limited.
EBP Requirements or SEBI EBP Requirements	shall mean the requirements with respect to electronic book mechanism prescribed in Chapter VI (*Electronic Book Provider platform*) of the Listed NCDs Operational Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be restated, amended, modified or updated from time to time.
Electronic Book Provider / EBP	shall have the meaning given to it under the EBP Requirements.
Eligible Investor	shall have the meaning ascribed to it on page 5 of this General Information Document.
EPFO	shall mean the Employees' Provident Fund Organisation.
FEMA Regulations	shall mean the regulations framed under the provisions of the Foreign

	Exchange Management Act, 1999 (as may be amended from time to time).
FIMMDA Guidelines	operational guidelines for commercial paper issued by Fixed Income Money Market and Derivatives Association of India (FIMMDA) dated March 13, 2025 and as amended/supplemented/altered/modified/replaced from time to time.
Financial Year	shall mean the financial year of the Company used for the purposes of accounting.
Government/ Governmental Authority	shall include the president of India, the government of India, governor or the government of any state in India or any ministry, department, board, authority, instrumentality, agency, corporation or commission semi-governmental or judicial or quasi-judicial or administrative entity, any self-regulatory organization, under the direct or indirect control of the government of India.
General Information Document or GID	shall mean this general information document issued by the Issuer for the issue of the Bonds and Commercial Papers on a private placement basis in accordance with Applicable Laws.
ICCL	shall mean the Indian Clearing Corporation Limited.
Investor	shall mean an Eligible Investor investing in the Bonds and Commercial Papers.
IT Act	shall mean the Income Tax Act, 1961 and/or the Income Tax Act, 2025, as amended from time to time, as the context may require.
Issue Closing Date	shall mean the date of closure of the relevant Issue of the Bonds and Commercial Papers, as set out inthe relevant Key Information Document.
Issue Opening Date	shall mean the date of opening of the relevant Issue of the Bonds and Commercial Papers, as set out inthe relevant Key Information Document.
Issue	shall mean the private placement of the Bonds and Commercial Papers pursuant to each Tranche/Series.
IRDAI	shall mean Insurance Regulatory and Development Authority of India.
ISIN	shall mean the International Securities Identification Number.
Key Information Document	shall mean a document supplementing this General Information Document, whereby subscription to the Bonds and Commercial Papers is invited by the Issuer on a private placement respect of each Tranche/Series.
Listing Agreement	shall mean the listing agreement(s) entered into between the Issuer and the Stock Exchange.
LODR Regulations	shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, modified from time to time and shall include any other statutory amendment or re-enactment thereof.
Memorandum / MoA	shall mean the memorandum of association of the Issuer.
MFI	shall mean Microfinance Institution.
MSME	shall mean Micro, Small and Medium Enterprises.
NBFC	shall mean non-banking financial company.

Pay-In Date	shall mean the pay-in date as set out in the relevant Key Information Document on which each applicant, for the Bonds and Commercial Papers to be allotted, is required to make payment to the Issuer for such Bonds and Commercial Papers to be allotted to it.
Private Placement Offer cumApplication Letter/PPOA(s)	shall mean the private placement offer and application letter(s) prepared in compliance with Section 42 of the Companies Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoter(s)	shall mean Manappuram Finance Limited and Mr. V. P. Nandkumar.
Purpose	shall mean the purpose for which the Bonds and Commercial Papers have been issued by the Issuer,as more particularly set out in the relevant Key Information Document.
Quarter	shall mean the period of three months commencing on the first day of January, April, July or October of a calendar year.
Rating Agency/ Credit Rating Agency	shall mean the credit rating agency(ies) appointed by the Issuer for the purpose of rating the Bonds and Commercial Papers, which shall be identified in the relevant Key Information Document.
RBI	shall mean the Reserve Bank of India.
RBI Act	shall mean the Reserve Bank of India Act, 1934 (as amended from time to time).
RBI CP Master Directions	Master Direction – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity up to one year) Directions, 2024 bearing reference number FMRD.DIRD.09/14.02.001/ 2023-24 and dated January 03, 2024, as amended from time to time.
RBI Regulations	The RBI CP Master Direction and/or any other regulation, master circular, circular, notification, order issued by RBI from time to time.
Redemption Date	shall mean each date on which the Bonds and/or Commercial Papers are required to be redeemed, asset out in the relevant Key Information Document.
Rs. / INR / ₹	Indian National Rupee.
R&T Agent/RTA/Registrar	shall mean the registrar and share transfer agent appointed for a particular Issue, as set out in the relevant Key Information Document.
ROC	shall mean the Registrar of Companies, Chennai.
RTGS	shall mean Real Time Gross Settlement, an electronic funds transfer facility provided by the RBI.
SEBI	shall mean the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI Debenture Trustee Master Circular	shall mean the 'Master Circular' dated 13 August 2025 issued by SEBI bearing reference number SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 on "Master Circular for Debenture Trustees" to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time.

SEBI ILNCS Regulations/ SEBI NCS Regulations/ SEBI Debt Listing Regulations	shall mean the Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021, as amended, modified or restated from time to time.
SEBI Operational Circular/ Listed NCDs Operational Circular	shall mean the 'Master Circular' dated 15 October 2025 issued by SEBI bearing reference number SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 on *"Issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper"* to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time.
Tax or Taxes	shall mean any present or future tax, levy, duty, charge, fees, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by law by any Governmental Authority and as may be applicable in relation to the payment obligations of the Issuer in relation to the Bonds and Commercial Papers.
TL	shall mean term loan.
Tranche/Series	shall mean any tranche of Bonds and Commercial Papers issued/to be issued pursuant to the relevant Key Information Document, the relevant PPOA and the applicableTransaction Documents.
Transaction Documents	shall have the meaning as set out in the relevant Key Information Document.
Valuation Agent	shall mean and refer to the valuation agent as appointed in relation to the issue of MLDs and as shall be identified in the relevant Key Information Document to be issued in relation to such MLDs.

This General Information Document shall be read in conjunction with the relevant Key Information Document, the Debenture Trust Deed and the other Transaction Documents and in case of any inconsistency or conflict between the Key Information Document and this General Information Document, the Key Information Document shall prevail to the extent of such inconsistency; and in case of any inconsistency or conflict between the relevant Key Information Document.

SECTION II

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations in relation to the Bonds and Commercial Papers. These risks may include, among others, business aspects, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Eligible Investors should carefully consider all the information in this General Information Document, including the risks and uncertainties described below, before making an investment in the Bonds and Commercial Papers. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Eligible Investors should also read the detailed information set out elsewhere in this General Information Document and/or the relevant Key Information Document and Private Placement Offer cum Application Letter and reach their own views prior to making any investment decision.

MANAGEMENT'S PERCEPTION OF RISK FACTORS

Part A: Risks relating to the Issuer and the Issue

Every business carries certain inherent risks and uncertainties that can affect its financial condition, results of operations and prospects. The management of the Issuer understands that risks can negatively impact the attainment of both short term operational and long term strategic goals.

The following factors have been considered for determining the materiality, of which:

a) Some events may not be material individually but may be found material collectively.

b) Some events may have material impact qualitatively instead of quantitatively.

c) Some events may not be material at present but may have material impact in future.

The Issuer believes that these risk factors may affect its ability to fulfil its obligations under the Bonds and Commercial Papers issued pursuant to this General Information Document. All of these factors may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such event occurring.

The following are the risks envisaged by the management of the Issuer relating to the Issuer, the Bonds and Commercial Papers and the market in general. Potential investors should carefully consider all the risk factors in this General Information Document for evaluating the Issuer and its business and the Bonds and Commercial Papers before making any investment decision relating to the Bonds and Commercial Papers. Unless the context requires otherwise, the risk factors described below apply to the Issuer. The Issuer believes that the factors described below represent the principalrisks inherent in investing in the Bonds and Commercial Papers but does not represent that the statements below regarding the risks of holding the Bonds and Commercial Papers are exhaustive. The order of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. The investors should also read the detailed information set out elsewhere in this General Information Document and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Issuer's business, financial conditions and results of operations could suffer and, therefore, the value of the Issuer's Bonds and Commercial Papers could decline and/or the Issuer'sability to meet its obligations in respect of the Bonds and Commercial Papers could be affected. More than one risk factor may have simultaneous effect with regard to the Bonds and Commercial Papers such that the effect of a particular risk factor may notbe predictable.

Please note that unless specified or quantified in the relevant risk factors, the Issuer is not in a position to quantify the financial or other implications of any risk mentioned herein below:

a. General risk factors

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. The investors are advised to take an informed decision and read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, the investors must rely on their own examination of the Issuer, this General Information Document issued in pursuance hereof and the Issue including the risks involved. The Issue has not been recommended or approved by SEBI, BSE or RBI nor does SEBI, BSE or RBI guarantee the accuracy or adequacy of this General Information Document.

b. Repayment of principal and coupon is subject to the credit risk of the Issuer

While, the repayment of sums due at maturity is provided by the Issuer, investors should be aware that receipt of any coupon payment and principal amount at maturity on the Bonds or the relevant coupon payment date, as the case may be, is subject to the credit risk of the Issuer whereby the investor may or may not recover all or part of the principal amount and/or the coupon in case of default by the Issuer. The investors assume the risk that the Issuer may not be able to satisfy their obligations under the Bonds if higher credit risk incidents occur in future. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Bonds may be substantially reduced or delayed.

c. Security may be insufficient to redeem the Bonds

The Bonds may be secured by the assets described in the relevant Key Information Document. At present, the Company has sufficient security for the existing and proposed debt. In the event that the Issuer is unable to meet its payment and other obligations towards potential investors under the terms of the Bonds, the Debenture Trustee may enforce the security. The potential investors' recovery in relation to the Bonds will be *inter alia* subject to: (i) the market value of the underlying security; and (ii) finding a willing buyer for such security at a price sufficient to repay the amounts due and payable to the potential investors' amounts outstanding under the Bonds. There is a risk that the value realised from the enforcement of the security may be insufficient to redeem the Bonds.

d. Refusal in listing of any security of the issuer during last three financial years and current financial year by any of the stock exchanges in India or abroad:

As of date, the Issuer has not been refused in listing of any security during the last 3 years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

e. Any downgrade in credit rating may affect the ability of the Issuer to redeem the Bonds and Commercial Paper

The Bonds and Commercial Papers offered through this Issue shall be rated by the credit rating agency(ies) as specified in the Key Information Document from time to time for each Series / Tranche of Bonds and Commercial Papers. Credit rating is merely an indicator of the perceived repayment capability of a Company. Therefore, the credit rating of the Bonds and Commercial Papers may not bear any co-relation to the price of the Bonds and Commercial Papers. Further, the credit rating is subject to continuous scrutiny and revision. Any stated credit rating of the Issuer, having been conducted, reflects the independent opinion of the referenced rating agency as to the creditworthiness of the rated entity but is not a guarantee of credit quality of the Issuer. In the event of downgrade of credit rating of Bonds and Commercial Papers, the Coupon Rate/any other such agreed terms for the Bonds and Commercial Papers will be modified as detailed in the Key Information Document.

f. Issuer's indebtedness and covenants imposed by its financing arrangements may restrict its ability

to conduct its business or operations

The Issuer may enter into financing arrangements from time to time which may require it to maintain certain security cover for some of its borrowings. Should there be any breach of financial or other covenants of any financing arrangements and such breach continues beyond the stipulated cure period (if any), the Issuer may be subjected to various consequences as a result of such default and default in payment of interest, default in redemption or repayment, default in payment of penal interest of such borrowings. Further, under some of the financing arrangements, the Issuer may be required to inform / obtain prior approval of the lenders / Debenture Holders / debenture trustee for various actions. Any such breaches by the Issuer and / or non-obtaining of such consents may result impact the ability of the Issuer to service the debt due under the Bonds and/or Commercial Papers or to even conduct its business or operations. All consents required from existing lenders of the Issuer for the issuance of Bonds or creation of security to secure the Bonds, as on the date of this General Information Document, have been duly obtained.

g. Trading in the Issuer's non-convertible debentures and bonds may be infrequent, limited or sporadic, which may affect its ability to raise debt financing in future

The Issuer's Bonds are listed on the debt segment of the BSE. Trading in its debt securities has been limited and the Issuer cannot assure you that the debt securities will be frequently traded on the BSE or that there would be any market for its debt securities. Further, the Issuer cannot predict if and to what extent a secondary market may develop for the debt securities or at what price such debt securities will trade in the secondary market or whether such market will be liquid or illiquid.

h. All fixed income securities, such as the Bonds and Commercial Papers, are subject to price risk

All fixed income securities, such as the Bonds and Commercial Papers, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of the Bonds and Commercial Papers.

i. Tax Considerations and Legal Considerations

Special tax considerations and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of this investment.

j. Accounting Considerations

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

k. Material changes in regulations to which the Issuer is subject could impair the Issuer's ability to meet payment or other obligations.

The Issuer is subject generally to changes in Indian law and/or tax laws, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

l. In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

m. Legality of purchase

Potential investors of the Bonds and Commercial Papers will be responsible for the lawfulness of the acquisition of the Bonds and Commercial Papers, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

n. No debenture redemption reserve

Pursuant to the Companies (Share Capital and Debenture Rules), 2014, non-banking financial companies registered with the RBI are exempted from the requirement to maintain a debenture redemption reserve in case of privately placed debentures. As the Company is a non-banking financial company registered with the RBI, it is exempted from the requirement to maintain a debenture redemption reserve, and therefore, no debenture redemption reserve is being created for the present Issue.

o. Acceleration

All covenants including the accelerated payment covenants given by way of side letters is/shall be incorporated in this General Information Document/the relevant Key Information Document by the Issuer.

p. Regulatory Risk

The Company has been served show cause notices by regulatory authorities including SEBI, EPFO etc. Some of these matters remain pending. There exists risks that these notices may lead to levy of fine, penalty etc. Further, the Company has paid fines, penalties etc. imposed by the RBI, the BSE etc. due to non-compliance with certain regulatory directives. There exists risks that similar instances may occur in the future.

q. Risk Factor with respect to disclosure of unaudited information

This General Information Document and certain Key Information Document to be issued by the Issuer may include certain unaudited information in relation to the Issuer, including operational data. These numbers are not audited and are taken from the internal management information systems of the Company.

r. Risks in relation to the security created for the non-convertible debentures

The issue of non-convertible debentures may be secured or unsecured. The issue of non-convertible debentures may be secured by certain assets including a pool of receivables, as more particularly described in the relevant Key Information Document.

While the issue of secured non-convertible debentures may be secured against a charge to the tune of 100% of the principal and interest amount in favour of Debenture Trustee and it is the duty of the Debenture Trustee to monitor that the security is maintained, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security

Part B: Risks relating to our business

(i) Our business is highly regulated, and we may be adversely affected by future legislative or regulatory changes. Further compliance with many of the regulations applicable to our operations may involve significant costs and otherwise may impose restrictions on our operations.

(ii) Our business is capital intensive and any disruption or restrictions in raising financial resources would have a material adverse effect on our liquidity and financial condition.

(iii) We have implemented KYC norms as well as measures to prevent money laundering which may not be completely effective, and are subject to RBI inspection. Any adverse action by RBI could affect our reputation, business and results of operations.

(iv) Any failure to make required filings by the Company with regulatory authorities mayresult in the imposition of penalties.

(v) Volatility in the market price of gold may adversely affect our financial condition, cash flows and results of operations.

(vi) A slow-down in economic growth in India and other political and economic factors may adversely affect our business.

(vii) Our financial performance is particularly vulnerable to interest rate risk. If we fail to adequately manage our interest rate risk in the future it could have an adverse effect on our net interest margin, thereby adversely affecting our business, cash flows and financial condition.

(viii) If interest rate restrictions are imposed on lending by NBFCs, our operating results and financial condition may be adversely affected.

(ix) The Company, it's Directors, Promoters, Chief Executive Officer, and certain of our employees are subject to certain legal proceedings and any adverse decision in such proceedings may have a material adverse effect on our reputation, business, financial condition and results of operations.

(x) We may not be able to raise adequate additional capital in future on the terms favorable to us or at all. Our ability to access capital also depends on our credit ratings and any downgrade in our credit ratings would increase borrowing costs and constrain our access to capital and lending markets. The above may have adverse effect on our net interest margin and the growth of our business.

(xi) We may not be able to realize the full value of our pledged gold, which exposes us to potential loss.

(xii) Since we handle high volumes of cash and gold jewellery in a dispersed network of branches, we are exposed to operational risks, including employee negligence, fraud, petty theft, burglary and embezzlement, which could harm our operations and financial position.

(xiii) There were instances of fraud on the Company by employees of the Company where gold loan related misappropriations / cash embezzlements have occurred.

(xiv) We are also subject to the risk of fraud by customers.

(xv) Inaccurate appraisal of gold by our personnel may adversely affect our business and financial condition.

(xvi) We are subject to the risk of unknowingly receiving stolen goods as collateral from customers which may result in loss of collateral for the loan disbursed.

(xvii) Our branches are vulnerable to theft.

(xviii) We have entered into, and may continue to enter into related party transactions.

(xix) Majority of our customer base comprises individual borrowers, who generally are more likely to be affected by declining economic conditions than larger corporate borrowers. Any decline in the repayment capabilities of our borrowers, may result in increase in default thereby adversely affecting

our business and financial condition.

(xx) We are exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and legal risk.

(xxi) Our insurance may not be adequate to protect us against all potential losses to which we may be subject. Any liability in excess of our insurance claim could have a material adverse effect on our results of operations and financial position.

(xxii) Any instances of failures to obtain, renew or maintain our statutory and regulatory permits and required approvals to operate our business, may have an adverse effect on our business.

(xxiii) We do not currently own the trademark to the "Asirvad Mico Finance Limited" name and logo. Our failure to protect our intellectual property may adversely affect our goodwill, operations and profitability.

(xxiv) We have incurred/may incur additional expenses or face operational difficulties in rural and semi urban areas, where infrastructural facilities are limited.

(xxv) We depend on customer-supplied information when evaluating customer creditworthiness.

(xxvi) Our foreign currency exchange business may be adversely affected by exchange rate fluctuations and is required to adhere to strict KYC norms.

(xxvii) Our ability to pay interest accrued on the Bonds and/or the principal amount outstanding from timeto time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability, the general economic conditions in India and the global financial markets and the impact on account of any risk exposures.

(xxviii) You may be subject to Indian taxes arising on the sale of the Bonds and Commercial Papers.

(xxix) System failures or inadequacy and security breaches in computer systems may adversely affect our operations and result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation.

(xxx) The accounting framework of the Company is governed by Ind AS wherein provisions are guided by norms relating to rules governing Expected Credit Loss (ECL). This is modeled based n statistical factors which are subject to change. The reserve Bank of India also requires provisions to be calibrated against their framework and rules as applicable from time to time.

Other Risk Factors

1. Any instructions by RBI or other regulatory authority in India directing the Company to stop the use of its premises/ branches or officials for the operations could materially and adversely affect our business and impact our future financial performance.
2. If we are unable to manage the level of NPAs in our gold loans and other loans, our financial position and results of operations may suffer.
3. High levels of customer defaults could adversely affect our business, financial condition and results of operations.
4. We may not be able to recover the full loan amount, and the value of the collateral may not be sufficient to cover the outstanding amounts due under defaulted loans. Failure to recover the value of the collateral could expose us to a potential loss, thereby adversely affect our financial condition and results of operations.
5. Our significant indebtedness and the conditions and restrictions imposed by our financing arrangements could restrict our ability to conduct our business and operations in the manner we desire.

6. Some of our financial arrangements contain restrictive covenants that may adversely affect our business and operations, some which we are currently in breach of or have breached in the past.
7. We face difficulties in carrying out credit risk analyses on our customers, most of whom are individual borrowers, which could have a material and adverse effect on our results of operations and financial condition.
8. We may not be able to successfully sustain our growth strategy. Inability to effectively manage any of our growth and related issues could materially and adversely affect our business and impact our future financial performance.
9. We face increasing competition in our business which may result in declining margins if we are unable to compete effectively. Increasing competition may have an adverse effect on our net interest margin, and, if we are unable to compete successfully, our market share may decline.
10. We are currently loss-making and may face challenges in terms of profitability due to increased costs or reduced spreads.
11. A decline in our capital adequacy ratio could restrict our future business growth.
12. If we fail to maintain effective internal control over financial reporting in the future, the accuracy and timing of our financial reporting may be adversely affected.
13. We face asset-liability mismatches which could affect our liquidity and consequently, may adversely affect our operations and profitability.
14. We do not own our branch offices and our registered office. Any failure on our part to execute and/or renew lease and license agreements and/or lease deeds in connection with such offices or failure to locate alternative offices in case of termination of the leases and/or leave and license arrangements in connection with any branch could adversely affect our operations and profitability.
15. We have certain contingent liabilities which may adversely affect our financial condition if they materialise.
16. Our ability to assess, monitor and manage risks inherent in our business differs from the standards of some of our counterparts in India. Inability to effectively manage our risk management systems can adversely affect our business, financial condition and results of operation.
17. Our success depends in large part upon our management team and key personnel and our ability to attract, train and retain such persons.
18. Our results of operations could be adversely affected by any disputes with our employees.
19. We are subject to supervision and regulation by RBI as an NBFC-ML, and any adverse changes in RBI's regulations governing us could adversely affect our business.
20. Conflicts of interest may arise out of common business objects shared by our Company and certain other entities promoted by our Promoters.
21. We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability and harm our business or reputation.
22. We are dependent on our Senior Management Personnel, Key Managerial Personnel and our employees, and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations, cash flows and financial condition.
23. We rely significantly on our information technology systems for our business and any inadequacy or security breach in such systems could adversely affect our results of operations, cash flows and reputation.

Part C : **Risks Specific to the Issuance of MLDs**

Prospective Investors are advised to carefully read these key risks associated with the MLDs.

1. **The MLDs are subject to model risk, i.e., the securities are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.**
2. **The principal amount is subject to the credit risk of the Issuer whereby the investor may or may not recover all or part of the funds in case of default by the Issuer.**
3. The calculation as may be provided by the Valuation Agent, on the website of the Issuer and that of the Valuation Agent or otherwise, do not represent the actual price of the MLDs that may be received upon sale or redemption of MLDs. Instead, such calculation merely represents the Valuation Agent's computation of the valuation which may in turn be based on several assumptions. The potential investor/ Debenture Holder understands and is aware that the valuation is not in any manner reflective of the actual returns that can be obtained by such Investor on the MLDs.
4. The return on an investment in the MLDs which are linked/benchmarked to specific security(ies) may differ from the return an investor/Debenture Holder might earn on a direct investment in the specific securities over a similar period.
5. The payments to be made to the Debenture Holders will not be fixed, and will instead linked to an external variable e.g. government security price. This could result in variability in payments, because of adverse movement in value of the external variable. The risk of such adverse movement in price/value is not addressed by any rating.

Part D: Risks Specific to the Issuance of Tier II Bonds

Additional risks specific to the issuance of Tier II Bonds (if any), shall be disclosed in the relevant Key Information Document.

Part E: Risks Specific to the Issuance of Commercial Papers

Prospective Investors are advised to carefully read these key risks associated with the Commercial Papers. Commercial Papers are unsecured in nature.

Given that the Commercial Papers are an unsecured money market instrument, in the event the Company is unable to meet its payment and other obligations towards investors under the terms of the Commercial Papers, the investors do not have any recourse in the form of a security to recover their dues. Potential investors may also have to assess and take into consideration that an investment in the issue of Commercial Papers will be bound by and subject to any market risks associated with investing in short-term money market instruments.

SECTION III

FINANCIAL STATEMENTS

The audited financial statements (i.e. profit and loss statement, balance sheet and cashflow statement both on a standalone basis) of the Issuer for the year ended March 31, 2026, March 31, 2025, March 31, 2024 are set out in **Annexure II** hereto.

SECTION IV

REGULATORY DISCLOSURES

PART A

The General Information Document is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI Debt Listing Regulations.

A. Documents Submitted to the Exchanges

The following documents have been / shall be submitted along with the listing application to the BSE and with the Debenture Trustee:

(a) This General Information Document;

(b) Memorandum and Articles of the Issuer and necessary resolution(s) for the allotment of the Bonds and Commercial Papers;

(c) Copy of the resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting held on April 01, 2023 under 180(1)(c) of the Companies Act, authorizing the issue / offer of non-convertible debentures by the Company;

(d) Copy of the resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting held on April 01, 2023 under Section 180(1)(a) of the Companies Act, authorizing the creation of security to secure non-convertible debentures issued by the Company;

(e) Copy of the resolution passed by the Board of Directors of the Company dated April 10, 2026, *inter alia,* authorizing the issuance of the Bonds and Commercial Papers;

(f) Copy of last 3 (Three) years audited Annual Reports;

(g) Statement containing particulars of, dates of, and parties to all material contracts and agreements;

(h) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where such debt securities are proposed to be listed.

(i) Where applicable, an undertaking that permission/consent from the prior creditor for a second or *pari passu* charge being created, in favor of the trustees to the proposed issue has been obtained;

(j) Any other particulars or documents that the recognized stock exchange may call for as it deems fit; and

(k) Due diligence certificates from the Debenture Trustee as per the format specified in Annex IIA of the SEBI Debenture Trustee Master Circular.

B. Details of Promoters and Promoter Group of the Company as on latest Quarter end June 30, 2026, and as on date

Sr. No.	Name of Shareholder	Total No. equity shares	Shareholding % calculatedas per SCRR, 1957 As a % of (A+B+C2)	No. of Shares Underlying Outstanding convertible securities (including	Shareholding ,as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Shares Pledged of otherwise encumbered	Number of equity shares held in dematerialized form

				Warrants)		No. (a)	As a % of total share sheld (b)	
1	Manappuram Finance Limited	50,70,19,143	98.966%	0	98.966%	0	0	50,70,19,143
2	Manappuram Home Finance Limited	0	0%	0	0%	0	0	0
3	Manappuram Insurance Brokers Limited	0	0%	0	0%	0	0	0
4	Manappuram Comptech and Consultants Limited	0	0%	0	0%	0	0	0
5	V.P Nandakumar	7,78,209	0.152%	0	0.152%	0	0	7,78,209
6	Shelly Ekalavyan	0	0	0	0	0	0	0
7	Sumitha Jayasankar	0	0	0	0	0	0	0
8	Sushama Nandakumar	0	0	0	0	0	0	0
9	Amarsingh V.S	0	0	0	0	0	0	0
10	Anasuya Dharmarajan	0	0	0	0	0	0	0
11	Indira Sreedharan	0	0	0	0	0	0	0
12	Jyothy Prasannan	0	0	0	0	0	0	0
13	Sooraj Nandan	0	0	0	0	0	0	0
14	Suhas Nandan	0	0	0	0	0	0	0
15	Sumam Radhakrishnan	0	0	0	0	0	0	0
16	Dinamony V.S	0	0	0	0	0	0	0
17	Vyasababu V.S	0	0	0	0	0	0	0
18	Prasannan V.S	0	0	0	0	0	0	0
19	Manappuram Construction and Consultants Limited	0	0	0	0	0	0	0
20	DT3 Advisory Private Limited	0	0	0	0	0	0	0
21	DTA Advisory	0	0	0	0	0	0	0

	Private Limited							
22	DTB Advisory Private Limited	0	0	0	0	0	0	0
23	Heidor's Tea Limited, London, UK	0	0	0	0	0	0	0
24	Manappuram Asset Finance Ltd	0	0	0	0	0	0	0
25	MABEN NIDHI LIMITED	0	0	0	0	0	0	0
26	Manappuram Health Care Limited	0	0	0	0	0	0	0
27	Manappuram Chit Funds Company Pvt Limited	0	0	0	0	0	0	0
28	Manappuram Chits India Limited	0	0	0	0	0	0	0
29	Manappuram Chits India	0	0	0	0	0	0	0
30	Manappuram Chits (Karnataka) Private Limited	0	0	0	0	0	0	0
31	Manappuram Agro Farms Limited	0	0	0	0	0	0	0
32	Manappuram Travels	0	0	0	0	0	0	0
33	Macare Dental Care Pvt. Limited	0	0	0	0	0	0	0
34	Manappuram Jewellers Limited	0	0	0	0	0	0	0
35	SNST Advisories Private Limited	0	0	0	0	0	0	0

C. Profile of the Promoters of the Company

S. No.	Name and date of birth	Age	Educational Qualification and Experience in the business or employment	Positions/ posts held in the past	Special achievements, their businessand financialactivities	Photograph/ Logo	Directorships held by the Promoter	Other ventures of the Promoter
1	Manappuram Finance Limited ("MAFIL") **Date of birth**: MAFIL was incorporated on July 15, 1992	Not Applicable	MAFIL is an NBFC with major focus on gold loans.	Not Applicable	Not Applicable		Not Applicable	MAFIL has subsidiaries including Asirvad Micro Finance Limited, Manappuram Home Finance Limited, Manappuram Insurance Brokers Limited and Manappuram Comptech and Consultants Limited

S. No.	Name and date of birth	Age	Educational Qualification and Experience in the business or employment	Positions/ posts held in the past	Special achievements, their businessand financialactivities	Photograph/ Logo	Directorships held by the Promoter	Other ventures of the Promoter
2	Mr. V P Nandakumar **Date of birth:** May 18, 1954	72	Bachelor's and a master's degrees in science from University of Calicut, India. He is currently the managing director and chief executive officer of our Promoter, MAFIL. He is on the board of governors of IIM Kozhikode.	Served on the board of directors of several Companies including Lions Co-ordination Committee of India Association, Aptus Value Housing Finance India Limited, Equitas Holdings Limited and Five Star Business Finance Limited.	Earned recognition at the national level. In January 2014, Business Today, a leading business magazine, ranked him among India's Top 100 CEOs. Earlier, in December 2013, Business World had listed his name amongst India's Most Valuable CEOs. He is widely recognised as a leading wealth creator for investors in India's stock market circles		1. Manappuram Health Care Limited 2. Manappuram Construction and Consultants Limited 3. Manappuram Home Finance Limited 4. Manappuram Finance Limited 5. Manappuram Chits (Karnataka) Private Limited 6. Manappuram Chit Funds Company Private Limited 7. Manappu	Directorships are disclosed. 1. Manappuram Health Care Limited- Shares- 4,94,93,348 (99.9001%) 2. Manappuram Construction and Consultants Limited- Shares- 48,85,000 (99.49083%) 3. Manappuram Home Finance Limited- Shares- 1 (0%) 4. Manappuram Finance Limited- Shares- 24,59,04,221 (29.0518%) 5. Manappuram Chits (Karnataka) Private Limited- Shares-

S. No.	Name and date of birth	Age	Educational Qualification and Experience in the business or employment	Positions/ posts held in the past	Special achievements, their businessand financialactivities	Photograph/ Logo	Directorships held by the Promoter	Other ventures of the Promoter
							ram Insurance Brokers Limited 8. Manappuram Comptech and Consultants Limited 9. Adlux Medicity And Convention Centre Private Limited 10. Manappuram Chits (India) Limited 11. Manappuram Agro Farms Limited 12. Manappuram Jewellers Limited 13. Finance Industry Development	1,84,15,000 (99.89%) 6. Manappuram Chit Funds Company Private Limited- Shares- 17,60,000 (97.24%) 7. Manappuram Insurance Brokers Limited- Shares- 1 (0%) 8. Manappuram Comptech and Consultants Limited- Shares- 1 (0%) 9. Adlux Medicity And Convention Centre Private Limited- Shares- NIL 10. Manappuram Chits (India) Limited- Shares-

S. No.	Name and date of birth	Age	Educational Qualification and Experience in the business or employment	Positions/ posts held in the past	Special achievements, their businessand financialactivities	Photograph/ Logo	Directorships held by the Promoter	Other ventures of the Promoter
							Council 14. SNST Advisories Private Limited 15. DTA Advisory Private Limited 16. DTB Advisory Private Limited 17. DT3 Advisory Private Limited 18. FGLOC India Forum	76,79,500 (99.09%) 11. Manappuram Agro Farms Limited- Shares- 2,10,40,000 (99.952%) 12. Manappuram Jewellers Limited- Shares- 7,52,18,500 (85.29%) 13. Finance Industry Development Council- Shares- NIL 14. SNST Advisories Private Limited- Shares- 5000 (50%) 15. DTA Advisory Private Limited- Shares- 5000 (50%) 16. DTB Advisory Private Limited-

S. No.	Name and date of birth	Age	Educational Qualification and Experience in the business or employment	Positions/ posts held in the past	Special achievements, their businessand financialactivities	Photograph/ Logo	Directorships held by the Promoter	Other ventures of the Promoter
								Shares- 5000 (50%) 17. DT3 Advisory Private Limited- Shares- 5000 (50%) Other Ventures 1. Orange Retail Finance (India) Private Limited- Shareholder Shares- 12,730 2. Macare Dental Care Private Limited- (Interested through relative) Shares- Nil 3. MABEN Nidhi Limited- Promoter Shares- 1,99,20,560 (39.87%) 4. Manappuram Asset Finance

S. No.	Name and date of birth	Age	Educational Qualification and Experience in the business or employment	Positions/ posts held in the past	Special achievements, their businessand financialactivities	Photograph/ Logo	Directorships held by the Promoter	Other ventures of the Promoter
								Limited- Promoter Shares- 7,32,03,500 (97.2%) 5. Manappuram travels- 100% 6. Heidor's Tea Limited, London, UK- The person holds, directly or indirectly, 75% or more of the shares of the company.

Declaration
The Issuer confirms that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s), Passport Number and Personal Addresses of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the Bonds and/or Commercial Papers are proposed to be listed, at the time of filing of this General Information Document.

D. Details of Parties Pertaining to the Issue

Debenture Trustee	**CATALYST TRUSTEESHIP LIMITED**  **Address**: GDA House, Plot No.85, Bhusari Colony (Right), Paud Road, Pune – 411038 and having a branch office at 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013, Maharashtra, India **Phone**: +91 22 4922 0555 **Email**: ComplianceCTL-Mumbai@ctltrustee.com **Website**: https://catalysttrustee.com/ **Contact Person**: Mr. Umesh Salvi
Credit Rating Agency	Crisil Ratings Limited  **Address:** Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400 072, Maharashtra,India **Phone :** +91 22 6137 3000 **Website:** https://www.crisil.com/ **Contact Person** : Prashant Mane **Mail Id:** prashant.mane@crisil.com
Registrar to the Issue	**MUFG INTIME INDIA PRIVATE LIMITED**  **Address**: "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028, Tamil Nadu, India **Website URL**: https://www.in.mpms.mufg.com/

	Email address: coimbatore@in.mpms.mufg.com **Telephone Number**: +91 422 2314792/ 5792, 4958995, 2539835/ 836 **Fax**: +91 422 2539837 **Contact Person**: Ms. S. Dhanalakshmi
Legal counsel(s) to the Issuer	**Name**: As per the relevant Key Information Document **Logo**: As per the relevant Key Information Document **Address**: As per the relevant Key Information Document **Website URL**: As per the relevant Key Information Document **Email address**: As per the relevant Key Information Document **Telephone Number**: As per the relevant Key Information Document **Contact Person**: As per the relevant Key Information Document
Guarantor (if applicable)	**Name**: N.A. **Logo**: N.A **Address**: N.A. **Website URL**: N.A. **Email address**: N.A. **Telephone Number**: N.A. **Contact Person**: N.A.
Arrangers, if any	**Name**: N.A. **Logo**: N.A **Address**: N.A. **Website URL**: N.A. **Email address**: N.A. **Telephone Number**: N.A. **Contact Person**: N.A.

E. Brief Details about the Issuer

Sr. No.	Particulars	Details
1.	**Name of the Issuer**	Asirvad Micro Finance Limited
2.	**Registered Office**	CEEBROS MANJULA, 3rd Floor, Office No. 1, New No.39, Old No.45, Montieth Road, Egmore, Opp: Indian Red Cross Society, Chennai, Tamil Nadu
3.	**Corporate Office**	Building No. 4/85 B, C & D, Chanthappadi, Valapad, Thrissur, Kerala, PIN - 680567

4.	**Date of Incorporation**	August 29, 2007
5.	**Company Secretary & Compliance Officer**	Mr. Mithun B Shenoy, Company Secretary and Compliance Officer Address: Building No. 4/85 B, C & D, Chanthappadi, Valapad, Thrissur, Kerala, PIN – 680567
6.	**Corporate Identification Number**	U65923TN2007PLC064550
7.	**Phone No.**	+91-9345960647
8.	**Contact Person:**	Mr. Mithun B Shenoy, Company Secretary and Compliance Officer
9.	**Email:**	cs@asirvad.in, sec@asirvad.in
10.	**Chief Finance Officer (CFO) of the Issuer**	Mr. Amandeep Singh Address: Building No. 4/85 B, C & D, Chanthappadi, Valapad, Thrissur, Kerala, PIN - 680567

F. Corporate Profile

Our Company was incorporated as 'Asirvad Micro Finance Private Limited' at Chennai, Tamil Nadu as private limited company under the Companies Act, 1956, and a certificate of incorporation was granted by the Assistant Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Island on August 29, 2007. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on August 24, 2016 and consequently, the name of our Company was changed to 'Asirvad Micro Finance Limited' and a fresh certificate of incorporation was issued by the RoC on September 1, 2016. The RBI granted a certificate of registration dated December 14, 2007 bearing no. N-07-00769 to our Company, for registration as an NBFC under Section 45-IA of the Reserve Bank of India Act, 1934. The RBI has granted NBFCMFI status to our Company with effect from October 4, 2013, pursuant to an endorsement on our certificate of registration dated September 27, 2016. The Insurance Regulatory and Development Authority of India (IRDAI) has granted a Certificate of Registration to the Company to act as a Corporate Agent (Composite) under sub-section (1) of Section 42D of the Insurance Act, 1938, bearing Registration No. CA1130 dated May 26, 2026.

G. Key events, milestones and achievements

The table below sets forth the key events in the history of our Company:

Year	Particulars
2007	Our Company was incorporated as a private limited company.
2015	Major shareholding of our Company was taken over by Manappuram Finance Limited and became the subsidiary of Manappuram Finance Limited.
2016	Our Company was converted into a public limited company.

H. Overview and a brief summary of the business activities of the Issuer

Asirvad Micro Finance Limited is a NBFC-MFI offering microfinance loans to low-income women, thereby promoting inclusive growth, through servicing and empowering an unbanked population who are socially and economically underprivileged. In addition, we offer secured Loans against Gold MSME Loans to small business owners and self-employed individuals.

We commenced operations in 2008, with two branches in Tamil Nadu and have grown to become an MFI with a pan-India presence.

We are a digitally enabled MFI with automated loan processing capability from borrower onboarding to disbursement that includes borrower credentials validation through real time integrated application programming interfaces. We have enabled realtime integration with credit bureaus to perform analysis of borrower tradeline reports for quicker decision making in loan processing. We generate real-time reports to analyse and monitor disbursements, collections and overall productivity of field officers, as well as a workforce management system to track the movement of field development assistants ("FDAs"). We have implemented a key analytics platform that provides real-time MIS reports, enabling us to make better informed decisions and adopt efficient processes.

Our growth has been encouraged by our Promoter, MAFIL, a listed NBFC primarily engaged in offering loans against gold in India. As a subsidiary of MAFIL, we are able to leverage the "Manappuram" brand and their established credentials. Our Promoter's support is valuable towards our continued improvement governance practices, operations, IT support, legal and compliance functions and in maintaining high credit rating.

The Main Objects of the Company to be pursued by the Company as per the Memorandum of Association of the Company are:

(i) Subject to the approval of RBI, to extend credit access to the economically weaker section of the community, empower the weaker and poorer sections of the society and women through initiatives, strengthen the micro credit institutions, alleviate poverty through community based micro financing activities, improve the living conditions of the poor, network with other organisations, create economic opportunities to the weaker section through various income generation programmes.

(ii) Subject to the approval of RBI, to foster MICROFINANCE directly through our own channel or through Self Help Groups, Income Generation Projects, Micro Credit, Thrift and Credit Groups, Federations and all other forms of micro finance or the rural, downtrodden, marginalized, weaker, women, poor, less advantaged and all other sections of the community to cater to the credit needs of marginalized community.

(iii) to carry on the businesses of other financial services and advancing long term/ short-term loans/ such other credit facilities including but not limited to gold loan, credit to micro, small and medium enterprises etc., to individuals, firms, companies or association of individuals, association of persons by whatever name called and either on securities or on guarantee or to clean without securities.

(iv) to carry on the business of authorized money changers, forex dealers, money transfer agents and related services, issue of prepaid instruments, to act as payment gateways, payment channels, to operate white label ATMs, to act as business correspondent to banks and financial institutions, to act as distributors of mutual funds, insurance product with or without risk participation and all other financial products and services and to deal with all kinds of business involving marketing of financial products, providing investment advice, business facilitations services, business enablement services, all other services relating to financial inclusion and other permissible activities as may be permitted by Reserve Bank of India or subject to approval by any other regulator as may be prescribed from time to time.

(v) to facilitate all kinds of e-commerce business whether related to financial services or not, and provision of all other kinds of related services.

(vi) to act as a collection agent for Insurance Companies, banks and financial institutions, utility companies and other entities.

(vii) to solicit and procure Insurance Business as Corporate Agency (Composite) in respect of all classes of Insurance and to Undertake such other activities as are incidental or ancillary thereto as permitted by IRDAI under Corporate Agency Regulations 2015 as amended from time to time.

I. Details of the branches or units where the Issuer carries on its business activities, if any may be provided in the form of a static Quick Response (QR) code and web link:

As on March 31, 2026, the Issuer has 1765 branches across 22 states and 4 Union Territory.

J. A brief summary of the business activities of the subsidiaries of the Issuer

As on the date of this General Information Document, the Issuer has no subsidiaries.

K. Structure of the Group

Asirvad Micro Finance Limited ("Asirvad" or "the Company") is a subsidiary of Manappuram Finance Limited ("MAFIL" or "the Parent Company"). MAFIL is a public limited company and a non-deposit taking Non-Banking Financial Company registered with the Reserve Bank of India. The Manappuram Finance group operates across multiple financial-services segments, including gold loans, microfinance, housing finance, vehicle and equipment finance, MSME/personal lending and insurance distribution, along with technology and consultancy support services.

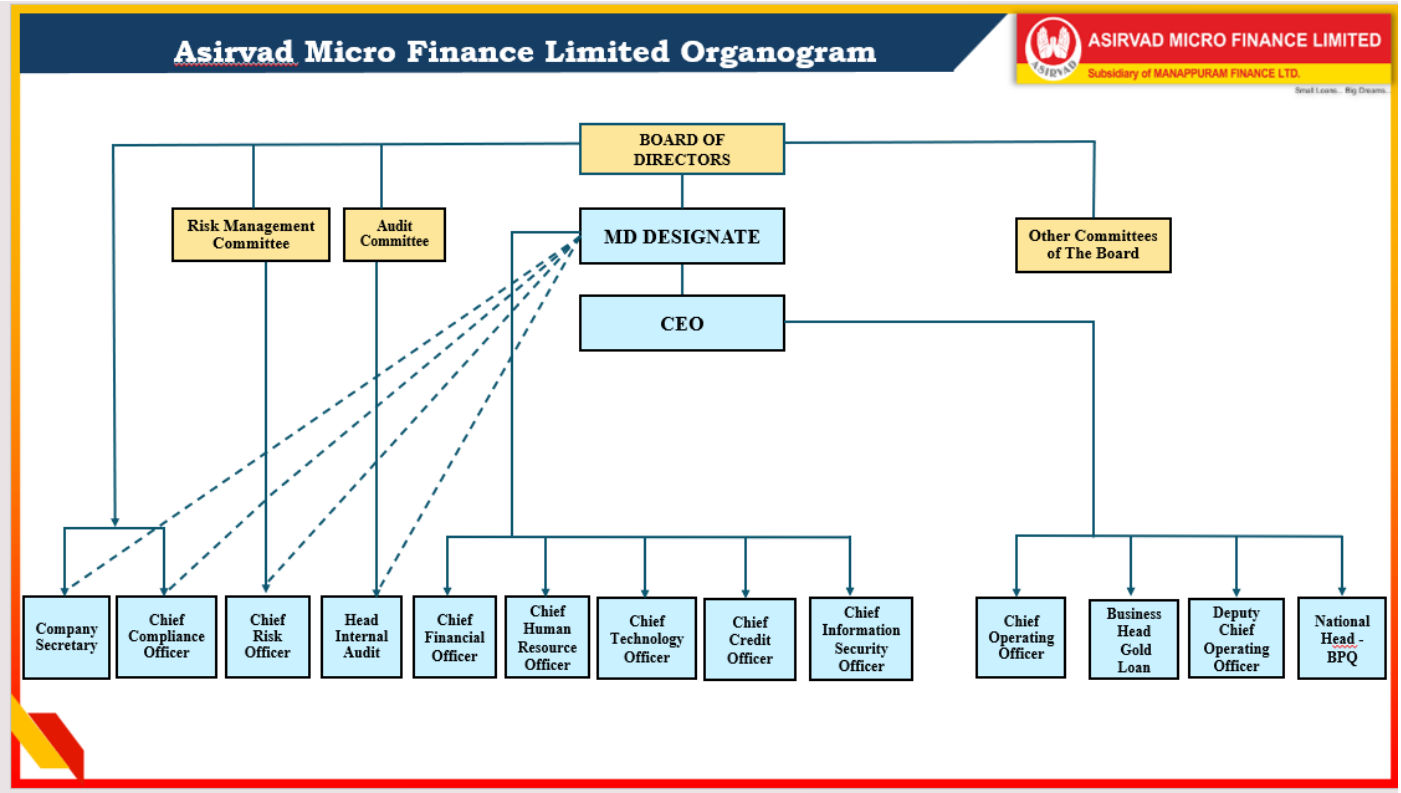
Parent Company – Manappuram Finance Limited (MAFIL)

Manappuram Finance Limited was incorporated in 1992 and is the holding company of Asirvad. MAFIL's core business includes gold-backed lending and other diversified lending activities. As part of its diversified financial-services platform, MAFIL has subsidiaries engaged in microfinance, housing finance, insurance broking, and technology/consultancy services

Subsidiaries of MAFIL

Entity	Relationship	Principal business / role
Asirvad Micro Finance Limited	Subsidiary	Microfinance and financial inclusion; provides microfinance and other permitted lending products.
Manappuram Home Finance Limited	Subsidiary	Housing finance, with a focus on affordable housing and home-loan products.
Manappuram Insurance Brokers Limited	Wholly Owned Subsidiary	Insurance broking/distribution across life, health, motor, property and other insurance requirements.
Manappuram Comptech and Consultants Limited	Wholly Owned Subsidiary	Information technology products, technology support and consultancy services.

The corporate structure of the Company is given below:



L. Use of proceeds (in the order of priority for which the said proceeds will be utilized):

- purpose of the placement;
- break-up of the cost of the project for which the money is being raised;
- means of financing for the project;
- proposed deployment status of the proceeds at each stage of the project.

As provided in the relevant Key Information Document.

M. Financial Information

The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of this General Information Document or issue opening date, as applicable.
Such financial statements shall be should be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI")
The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

Please refer to **Annexure II** for the financial statements of the Issuer for the financial year ending March 31,2026, March 31, 2025, March 31, 2024, along with the auditor's report with the requisite schedules, footnotes, summary etc.

(a) However, if the issuer being a listed REIT/listed InvIT has been in existence for a period of less than three completed years and historical financial statements of such REIT/InvIT

are not available for some portion or the entire portion of the reporting period of three years and interim period, then the combined financial statements need to be disclosed for the periods when such historical financial statements are not available.

Provided that, issuers whose non-convertible securities are listed as on the date of filing of the of this General Information Document, may provide only a web-link and a static quick response code of the audited financial statements in this General Information Document subject to the following conditions:

i. Such listed issuers shall disclose a comparative key operational and financial parameter on a standalone and consolidated basis, certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, for the last three completed years in this General Information Document.

ii. The scanning of such static quick response code or clicking on the weblink, shall display the audited financial statements for last three financial years of such issuer on the website of the stock exchange where such data is hosted.

Not applicable.

(b) Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the LODR Regulations may disclose unaudited financial information for the interim period in the format as specified therein with limited review report in the General Information Document, as filed with the stock exchanges, instead of audited financial statements for interim period, subject to making necessary disclosures in this regard in the General Information Document including risk factors.

Please refer to **Annexure II** for the financial statements of the Issuer for the financial year ending March 31,2026, March 31, 2025, March 31, 2024, along with the auditor's report with the requisite schedules, footnotes, summary etc.

(c) Issuers other than REITs / InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:

i. The issue is made on the EBP of the stock exchange, irrespective of the issue size; and
ii. In case of issue of securities on a private placement basis, the issue is open for subscription only to Qualified Institutional Buyers.

Not Applicable as the Issuer has been in existence for a period of more than 3 (three) years prior to the date of this General Information Document.

N. Expenses of the Issue

(i) **Lead manager(s) fees**
(ii) **Underwriting commission**
(iii) **Brokerage, selling commission and upload fees**
(iv) **Fees payable to the Registrar to the issue**
(v) **Fees payable to the legal Advisors**
(vi) **Advertising and marketing expenses**
(vii) **Fees payable to the regulators including stock exchanges**
(viii) **Expenses incurred on printing and distribution of issue stationary**
(ix) **Any other fees, commission or payments under whatever nomenclature**

- As provided in the relevant Key Information Document.

O. Key operational and financial parameters on standalone basis for the last 3 audited years in respect of the Financial Information mentioned in M above.

Particulars	FY 2026-27 Upto June - 2026	FY 2025-26	FY 2024-25	FY 2023-24
	(Unaudited with Limited Review)	(Audited)	(Audited)	(Audited)
BALANCE SHEET				
Assets				
Property, Plant and Equipment	7,454.47	7,705.87	8,601.71	7,670.26
Financial Assets	8,08,774.44	778,672.18	8,16,704.83	12,16,649.11
Non-financial Assets excluding property, plant and equipment	71,169.51	76,849.21	51,487.89	26,728.54
Total assets	**8,87,398.42**	**863,227.26**	**8,76,794.43**	**12,51,047.91**
Liabilities				
Financial Liabilities				
- Derivative financial instruments	-	-	-	-
- Trade Payables	1,714.57	1,883.66	2,813.10	2,121.53
- Debt Securities	59,664.37	44,051.13	2,486.87	61,989.07
- Borrowings (other than Debt Securities)	4,82,850.16	473,456.19	6,26,374.72	8,73,570.67
- Subordinated liabilities	63,835.56	65,055.43	64,959.13	65,130.40
- Other financial liabilities	27,131.73	29,381.69	26,502.02	30,677.78
Non – Financial Liabilities				
- Current Tax Liabilities (net)	-	-	-	-
- Provisions	1,573.96	1,179.94	1,164.87	1,179.90
- Deferred tax liabilities (net)	-	-	-	-
- Other non – financial liabilities	1,122.79	1,044.33	1,017.93	1,468.62
	637,893.14	616,052.37	7,25,318.64	10,36,137.97
Equity (Equity Share Capital and Other Equity)	2,49,505.28	247,174.89	1,51,475.79	2,14,909.94
Total Liabilities and Equity	**8,87,398.42**	**863,227.26**	**8,76,794.43**	**12,51,047.91**
PROFIT AND LOSS				
Revenue from operations	42,218.96	150,603.20	2,70,542.80	2,68,131.44
Other Income	697.11	249.46	2,896.18	5,062.75
Total Income	**42,916.07**	**150,852.66**	**2,73,438.98**	**2,73,194.19**
Total Expense	40,146.38	234,430.38	3,54,539.52	2,11,030.71
Profit after tax for the year	2,072.54	-57,905.78	-63,871.69	45,830.37
Other Comprehensions income	253.80	-454.17	441.81	-312.31
Total Comprehensions income	**2,326.34**	**-58,359.95**	**-63,429.88**	**45,518.05**
Earnings per equity share (Basic)	0.42	-20.60	-31.89	23.24
Earnings per equity share (Diluted)	0.42	-20.60	-31.89	23.24
Cash Flow				
Net cash from / used in(-) operating activities	-	87,719.29	3,42,601.67	-19,892.89
Net cash from / used in(-) investing activities	-	-8,028.63	-6,195.24	-22,238.60

Net cash from / used in (-) financing activities	-	-21,079.11	-4,07,033.09	83,393.98
Net increase/decrease (-) in cash and cash equivalents	-	58,611.55	-70,626.66	41,262.49
Cash and cash equivalents as per Cash Flow Statement as at end of Year	-	**84,239.53**	**25,627.98**	**96,254.64**
Additional Information				
Net Worth	2,49,505.28	247,174.89	1,51,475.79	2,14,909.94
Cash and cash equivalents	65,663.47	84,239.53	25,627.98	96,254.64
Loans & Advances	6,51,234.24	602,182.63	7,01,609.22	10,29,687.81
Loans (Principal Amount)	6,83,284.35	639,936.86	7,66,711.87	10,76,405.75
Total Debts to Total Assets	0.61	0.58	0.76	0.72
Interest Income	37,251.07	130,708.12	2,59,886.89	2,51,408.75
Interest Expense	15,622.52	60,921.90	1,03,426.01	94,741.32
Impairment on Financial Instruments	6,596.28	101,313.83	1,69,678.42	46,372.95
Bad Debts to Loans	0.01	0.10	0.15	0.15
% Stage 3 Loans on Loans (Principal Amount)	4.79%	4.85%	8.54%	3.75%
% Net Stage 3 Loans on Loans (Principal Amount)	1.42%	1.60%	2.46%	1.71%
Tier I Capital Adequacy Ratio (%)	26.62%	16.38%	15.83%	18.40%
Tier II Capital Adequacy Ratio (%)	4.35%	3.82%	5.10%	4.39%

P. Details of any other contingent liabilities of the issuer based on the latest audited financial statements including amount and nature of liability.

(Rs. In Lakhs)

Contingent Liabilities and commitments FY 25-26	**As at**	**As at**
A. Contingent liabilities:	**March 31, 2026**	**March 31, 2025**
(a) Claims against the company not acknowledged as debt;	-	-
(b) Guarantees excluding financial guarantees; and	-	-
(c) Other money for which the company is contingently liable {refer (i) below}	6058.48	8,902.00
(i) Income Tax		
- Income Tax (A.Y. 2015-16)	-	1,124.50
- Income Tax (A.Y. 2016-17)	-	1,978.91
- Income Tax (A.Y. 2017-18)	-	1,348.79
- Income Tax (A.Y. 2020-21)	2,133.13	1,953.49
- Income Tax (A.Y. 2021-22)	501.38	501.38
- Income Tax (A.Y. 2022-23)	-	
- Income Tax (A.Y. 2023-24)	1,875.58	1,875.58
- Income Tax (A.Y. 2024-25)	1,434.83	
(ii) Indirect Tax (GST)		
- GST (FY 2017-20)	60.94	60.94
- GST (FY 2022-23)	35.98	35.98
(iii) Non Tax Cases	16.64	22.43

B. Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Other Intangible Assets	-	-
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments (specify nature).	-	-
	-	-

(*Rupees in Lakhs*)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Income Tax (A.Y. 2020-21) During the FY 2022-23, the Company has received an Assessment order under Section 143(3) for the AY 2020-21 with demand of ₹ 2,134.4 Lakhs by disallowing expenses and ICDS adjustment aggregating to the tune of ₹ 8,511.87 Lakhs under section 41, 43B, 36(1)(va) and 36(1)(viia) w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and ICDS Adjustments. ITAT has dismissed the impugned 143(3) order and remanded back to JAO for fresh assessment. Based on the professional advice, the company strongly believe that majority of the disallowance will be decided in their favour and hence no provision has been considered except in case of bonus and ICDS Adjustments for which provision of ₹1.258 lakhs is considered in the books of accounts. During FY 2025-26 , notice initiated u/s 148(A)(1) related to addition of ₹ 7,14.13 Lakh being the excess claim of bad debts written off in AY 2020-21 under section 36(1)(viia) against which provision of Rs179.64Lakhs has been created.	2,133.13	1,953.49
Income Tax (A.Y. 2021-22) During the FY 2022-23, the Company has received an Assessment order under Section 143(1) for the AY 2021-22 with demand of ₹ 557.4 Lakhs by disallowing expenses and recovery of bad and doubtful debts aggregating to the tune of ₹ 1,560.6 Lakhs under section 43B, 36(1)(va) and 41 w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and recovery of bad and doubtful debts etc. As per the order pronounced on 18-09-2024, ITAT set aside the order and directed the CIT(A) adjudicate the issues afresh. Based on professional advice, the company strongly believe that majority of the disallowance and deemed income will be decided in their favour and hence no provision has been considered except for disallowance w.r.t bonus and gratuity u/s 43B for which provision amounting Rs 55.98 Lakhs is considered in the books of accounts.	501.38	501.38
Income Tax (A.Y. 2022-23)		

During FY 2025-26, the Company received a notice u/s 154 r.w.s 143(3) for add-backs totaling ₹ 24.44 Lakh related to delayed PF, ESI, and welfare fund contributions u/s 36(1)(va); company has created an adequate provision of Rs6.15 Lakh against delay in remitting Employee's contribution to PF/ ESI - Sec 36(1)(va).	-	-
Income Tax (AY 2023-24) The Central Processing Centre (CPC) processed the company's return of income under Section 143(1) and determined a differential tax liability of ₹1,875.58 lakhs. This arose due to the disallowance of an amount under Section 41, treating bad debt recovery as taxable, despite it already being reported as other income in the Income Tax Return and deductions claimed under Section 80JJAA were disallowed due to procedural lapses. The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favourable outcome is expected in this regard.	1,875.58	1,875.58
Income Tax (AY 2024-25) During the FY 2025-26,company has received as Assessment order under section 143(1) for the AY 2024-25 with a demand of Rs 655.35 lakh due to disallowance of an amount under section 41,treating bad debt recovery as taxable The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favorable outcome is expected in this regard. In FY 2025-26 ,company has received an Assessment order under section 143(3) for the AY 2024-25 with demand of Rs 1,339.63 by disallowing unexplained trade payables, expenditure u/s 14A, donations, and loss on security receipts for which provision of amounting to Rs 560.15 has been created against expenditure u/s14A,donation,loss on security receipt. The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favorable outcome is expected in this regard.	1,434.83	

Q. The amount of corporate guarantee or letter of comfort issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc) on behalf of whom it has been issued.

Nil

R. A brief history of the Issuer since its incorporation giving details of its following activities:

(i) Details of the share capital as at the last Quarter ended June 30, 2026:

Share Capital	Amount
Authorized Share Capital Equity Share Capital	Rs. 6,00,00,00,000.
Issued, Subscribed and Paid-up Share Capital Equity Share Capital	Rs. 5,12,31,59,710

(ii) Changes in its capital structure as at last Quarter end i.e., June 30, 2026, for the preceding three financial years and current financial year:

Date of Change (Annual General Meeting/	Particulars

Extraordinary General Meeting)	
August 18, 2023 (Extra Ordinary General Meeting)	In the Extra-Ordinary General Meeting held on August 18, 2023, increase in Authorized Share Capital from 100,00,00,000/- to 300,00,00,000/- divided into 10,00,000 (Ten Lakhs) Preference Shares of Rs. 100/- (Rupees Hundred Only) each to Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each Reclassified the sub-divided Authorized Preference Share Capital of the Company amounting to Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each to 1,00,00,000 (One Crore) Equity Shares each of Rs. 10/- (Rupees Ten only) . Increased the Authorized Share Capital of the Company from Rs. 1,00,00,00,000/- (Rupees Hundred Crore Only) divided into 10,00,00,000 (Ten Crore Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 3,00,00,00,000 (Rupees Three Hundred Crore Only) divided into 30,00,00,000 (Thirty Crore only) Equity Shares of Rs. 10/- (Rupees Ten Only).
September 10, 2025 (Extra Ordinary General Meeting)	Increased the Authorized Share Capital of the Company from Rs. 3,00,00,00,000/- (Rupees Three Hundred Crore Only) divided into 30,00,00,000 (Thirty Crore Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 6,00,00,00,000 (Rupees Six Hundred Crore Only) divided into 60,00,00,000 (Sixty Crore only) Equity Shares of Rs. 10/- (Rupees Ten Only).

(iii) Details of equity share capital for the preceding three financial years and the current financial year:

Date of Allotment	**No. of equity shares**	**Face Value (₹)**	**Issue price per equity share (₹)**	**Nature of consideration (Cash, other than cash etc.)**	**Nature of Allotment**	**Cumulative no of equity shares**	**Cumulative paid-up equity share capital (₹ in Lakhs)**	**Cumulative Equity share premium (₹ in Lakhs)**	**Remarks**
June 30, 2023	41,20879	10	364	Cash	Right Issue	6,67,61,124	66,76.11	9,44,65.96	-
August 26, 2023	13,35,22,248	10	10	-	Bonus Issue	20,02,83,372	2,00,28.33	9,44,65.96,	-
June 06, 2025	8,33,33,333	10	60	Cash	Right Issue	28,36,16,705	2,83,61.67	13,61,32.63	-
December 29,2025	4,90,19,607	10	51	Cash	Right Issue	33,26,36,312	33263.63	200,98.03	-
April 10, 2026	179,679,659	10	44	Cash	Right Issue	512,315,971	512,31.59	610,91.08	-

(iv) Details of any acquisition or amalgamation with any entity in the last 1 year:

Nil

(v) Details of reorganization or reconstruction in last 1 year:

Type Of Event	Date Of Announcement	Date Of Completion	Details
N.A.	N.A.	N.A.	N.A.

(vi) Details of shareholding pattern of the Company as on last Quarter end, June 30, 2026, as per the format specified under the LODR Regulations:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held* (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights		Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Total								
								Class X	Class Y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)	(XIII)	(XIV)		
(A)	Promoter and Promoter Group	2	507,797,352	-	-	507,797,352	99.118	507,797,352	507,797,352	99.118	-	-	-	-	-	507,797,352	

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held* (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights		Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Total								
								Class X	Class Y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)	(XIII)	(XIV)		
(B)	Public	8	4,518,619	-	-	4,518,619	0.882	4,518,619	4,518,619	0.882	-	-	-	-	-	4,518,619	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total (A+B+C)	10	51,23,1	-	-	51,23,1	100.00	51,23,1	51,23,1	51,23,1	100.00	-	-	-	-	51,23,1	

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held* (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Equity Shares held in dematerialized form (XIV)	
								Number of Voting Rights		Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)
								Class: Equity Shares	Total							
								Class X	Class Y	Total						
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)	(XIII)	(XIV)	
			5,971			5,971		5,971	5,971	5,971						5,971

#The format of the shareholding pattern prescribed by SEBI under the LODR Regulations is only applicable to listed entities that have listed their "specified securities" (as defined in the LODR Regulations) on a stock exchange. As the Issuer does not currently have any listed "specified securities" on the stock exchange, the shareholding pattern has been disclosed in the form set out above.

(vii) List of top 10 holders of equity shares of the Company as at the latest Quarter end, i.e. June 30, 2026.

S. No	Name of the shareholders	Total Number of equity shares	Number of shares in demat form	Total shareholding as % of total number of equity shares
1	Manappuram Finance Limited	50,70,19,143	50,70,19,143	98.966
2	Mr. S V Raja Vaidyanathan	36,00,000	36,00,000	0.703
3	Mr. Nandakumar V P	7,78,209	7,78,209	0.152
4	Mr. Raveendra Babu B N	1,88,466	1,88,466	0.037
5	Mr. Gautam Saigal	1,54,005	1,54,005	0.030
6	Mr. Ramanathan Annamalai	1,14,600	1,14,600	0.022
7	Mr. D R Dogra	3,40,000	3,40,000	0.066
8	Mr. S Muthukumar	52,584	52,584	0.010
9	Mr. Gopalakrishnan Srikanth	40,002	40,002	0.008

10	Ms. Sheela Rajiven	28,962	28,962	0.006

S. Following are details regarding the Directors of the Company:

(i) Details of the current Directors of the Company as on the date of this General Information Document:

Name, Designation and DIN	Age	Address	Date of appointment	Details of other directorship
Mr. V.P. Nandakumar, Chairman & Non-Executive and Non Independent Director DIN: 00044512	71	3/564, "Padma Saroj", Vazhapully, Valappad Beach.Post, Thrissur-Dist, Kerala-680567	February 12, 2015	1. Manappuram Health Care Limited 2. Manappuram Construction and Consultants Limited 3. Manappuram Home Finance Limited 4. Manappuram Finance Limited 5. Manappuram Chits (Karnataka) Private Limited 6. Manappuram Chit Funds Company Private Limited 7. Manappuram Insurance Brokers Limited 8. Manappuram Comptech and Consultants Limited 9. Adlux Medicity And Convention Centre Private Limited 10. Manappuram Chits (India) Limited 11. Manappuram Agro Farms Limited 12. Manappuram Jewellers Limited 13. Finance Industry Development Council 14. SNST Advisories Private Limited 15. DTA Advisory Private Limited 16. DTB Advisory Private Limited 17. DT3 Advisory Private Limited 18. FGLOC India Forum
Mr. Jyotin Kantilal Mehta Non Executive & Independent Director & DIN: 00033518	62	Y/804-805, Golden Rays, Shastri, Nagar , Azad Nagar, Andheri West, Mumbai, Maharashtra, India, 400053	September 08, 2026	1. Amal Limited 2. ICICI Pension Fund Management Limited 3. ICICI Prudential Trust Limited 4. IND Aust Maritime Private Limited 5. ICICI Securities Primary Dealership Limited 6. Mahindra First Choice Wheels Limited 7. Mahindra Rural Housing Finance Limited 8. I G Petrochemicals Limited 9. Mafatlal Industries Limited 10. Westlife Foodworld Limited
Ms. Radhika Subramanian, Non-Executive & Non - Independent	36	A902, Aaradhya Residency, Cama Lane,	May 05, 2026	1. Manappuram Comptech and Consultants Limited 2. Manappuram Insurance Brokers Limited

Director & DIN: 11061803		Ghatkopar (West), Mumbai, Maharashtra-400086		3. Manappuram Home Finance Limited
Mr. Rajesh Kumar Rathanchand, Non-Executive & Independent Director & DIN: 08708450	55	2901, Tower 1, Sumer Trinity Tower, Prabhadevi, Mumbai-400025	May 05, 2026	1. Manappuram Finance Limited 2. Manappuram Home Finance Limited
Mr. Balaji Veeeravalli Vijayaraghavan, Non-Executive & Independent Director & DIN: 05122430	61	E 204, Anmol Towers, Off S V Road, Goregaon West, Mumbai-400104	May 05, 2026	1. Manappuram Finance Limited 2. Manappuram Home Finance Limited 3. Manappuram Comptech and Consultants Limited

(ii) Details of change in directors since last three years and current financial year

Name, Designation & DIN	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Mr. Thotanchath Balakrishnan, Independent & Non-Executive Director & DIN: 00052922	May 15, 2023	NA	NA	Re-appointment
Mr. Manoharan Makkunni Thanniyath , Independent Director & DIN: 00225640	May 15, 2023	NA	NA	Re-appointment
Mr. Manoharan Makkunni Thanniyath , Independent Director & DIN: 00225640	NA	NA	July 15, 2023	Resignation
Dr. Sumitha Nandan, Non-Executive and Non-Independent Director & DIN: 03625120	September 22, 2023	NA	NA	Appointment as Additional Director
Dr. Sumitha Nandan, Non-Executive and Non-Independent Director & DIN: 03625120	September 22, 2023	NA	NA	Appointment as Non-Executive and Non-Independent Director

Mr. Ramanathan Annamalai, Independent & Non-Executive Director	March 18, 2015	November 30, 2023	NA	Retired from the position of the Independent Director on completion of his second term
Dr. Sumitha Nandan, Non-Executive and Non-Independent Director & DIN: 03625120	September 22, 2023	NA	February 13, 2024	Resignation
Mr. B.N. Raveendra Babu, Managing Director & DIN- 00043622	July 01, 2021	June 01, 2025	NA	Term has been ended
Ms. Anita Belani, Independent & Non-Executive Director & DIN: 01532511	January 13, 2023	NA	October 09, 2025	Resignation
Mr. Abhijit Sen, Independent & Non-Executive Director & DIN: 00002593	March 17, 2020	NA	May 05, 2026	Resigned pursuant to the terms of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company, BC Asia Investments XXV Limited, BC Asia Investments XIV Limited, V.P. Nandakumar, Sushama Nandakumar and certain members of the promoter group of the Company ("Agreements"), the Company has agreed to reconstitute the Board of the Company on the Closing Date (as defined in the SSA).
Mr. Gautam Rathindranath Saigal, Non-Executive and Non-Independent Director & DIN: 00640229	March 18, 2015	NA	May 05, 2026	Resigned pursuant to the terms of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company, BC Asia Investments XXV Limited, BC Asia Investments XIV Limited, V.P. Nandakumar, Sushama

				Nandakumar and certain members of the promoter group of the Company ("Agreements"), the Company has agreed to reconstitute the Board of the Company on the Closing Date (as defined in the SSA).
Mr. Harshan Kollara Sankarakutty, Independent & Non-Executive Director & DIN: 01519810	August 7, 2021	NA	May 05, 2026	Resigned pursuant to the terms of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company, BC Asia Investments XXV Limited, BC Asia Investments XIV Limited, V.P. Nandakumar, Sushama Nandakumar and certain members of the promoter group of the Company ("Agreements"), the Company has agreed to reconstitute the Board of the Company on the Closing Date (as defined in the SSA).
Ms. Pushya Sitaraman, Independent & Non-Executive Director & DIN: 06537196	February 2, 2019	NA	May 05, 2026	Resigned pursuant to the terms of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company, BC Asia Investments XXV Limited, BC Asia Investments XIV Limited, V.P. Nandakumar, Sushama Nandakumar and certain members of the promoter group of the Company ("Agreements"), the Company has agreed to reconstitute the Board of the Company on the Closing Date (as defined in the

				SSA).
Mr. Raja Vaidyanathan Venkataraman Sattanathapuram, Non-Executive and Non-Independent Director & DIN: 01467098	August 29, 2007	NA	May 05, 2026	Resigned pursuant to the terms of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company, BC Asia Investments XXV Limited, BC Asia Investments XIV Limited, V.P. Nandakumar, Sushama Nandakumar and certain members of the promoter group of the Company ("Agreements"), the Company has agreed to reconstitute the Board of the Company on the Closing Date (as defined in the SSA).
Mr. Subrata Kumar Atindra Mitra, Independent & Non-Executive Director & DIN: 00029961	March 17, 2020	NA	May 05, 2026	Resigned pursuant to the terms of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company, BC Asia Investments XXV Limited, BC Asia Investments XIV Limited, V.P. Nandakumar, Sushama Nandakumar and certain members of the promoter group of the Company ("Agreements"), the Company has agreed to reconstitute the Board of the Company on the Closing Date (as defined in the SSA).
Mr. Thotanchath Balakrishnan, Independent & Non-Executive Director & DIN: 00052922	May 15, 2018	NA	May 05, 2026	Resigned pursuant to the terms of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company, BC Asia Investments

				XXV Limited, BC Asia Investments XIV Limited, V.P. Nandakumar, Sushama Nandakumar and certain members of the promoter group of the Company ("Agreements"), the Company has agreed to reconstitute the Board of the Company on the Closing Date (as defined in the SSA).
Ms. Radhika Subramanian, Non-Executive & Non - Independent Director & DIN: 11061803	May 05, 2026	NA	NA	Appointment
Mr. Rajesh Kumar Rathanchand, Non-Executive & Independent Director & DIN: 08708450	May 05, 2026	NA	NA	Appointment
Mr. Balaji Veeeravalli Vijayaraghavan, Non-Executive & Independent Director & DIN: 05122430	May 05, 2026	NA	NA	Appointment
Mr. D.R Dogra Non-Executive & Independent Director & DIN: 00226775	September 09,2016	NA	September 07, 2026	Term has been ended
Mr. Jyotin Kantilal Mehta Non-Executive & Independent Director & DIN: 00033518	September 08,2026	NA	NA	Appointment

(iii) Brief profile/particulars of Directors & Key Managerial Personnel of the Company

Director	Particulars

Mr. V.P Nandakumar Chairman DIN: 00044512	Mr. V.P Nandakumar is the Chairman and Non-Executive and Non-Independent Director of our Company. He holds a bachelor's and a master's degrees in science from University of Calicut, India. He is currently the managing director and chief executive officer of our Promoter, MAFIL. He is on the board of governors of IIM Kozhikode and has previously served on the board of directors of several companies including Lions Co-ordination Committee of India Association, Aptus Value Housing Finance India Limited, Equitas Holdings Limited and Five Star Business Finance Limited.
Mr. Jyotin Kantilal Mehta Director DIN: 00033518	Mr. Jyotin Kantilal Mehta is a seasoned governance expert and finance leader with over four decades of experience across enterprise risk management, internal audit, corporate governance, and secretarial functions. A Fellow member of the Institute of Chartered Accountants of India (FCA), Institute of Company Secretaries of India and the Institute of Cost & Management Accountants of India (FCMA), as well as an alumnus of IIM Ahmedabad, he is a Gold Medalist from Bombay University, and has held senior executive leadership roles including Vice President & Chief Internal Auditor at Voltas Limited, Global Head of Enterprise Risk Management & Internal Audit at 3i Infotech, and General Manager & Company Secretary at ICICI Bank. Throughout his career, he has built extensive board- level expertise across financial services, consumer retail, and industrial manufacturing, serving as an Independent Director and Audit Committee Chairman for prominent institutions such as ICICI Securities Primary Dealership, Westlife Foodworld, Mahindra Rural Housing Finance Limited and I G Petrochemicals Limited, alongside past directorships at Suryoday Small Finance Bank, Linde India, ASK Group of Companies and Otis Elevator Co. (India). At present he is Chairman, ICICI Prudential Trust Limited.
Ms. Radhika Subramanian Director DIN: 11061803	She is a Non Executive and Non-Independent Director of our company. She has over 12 years of experience across private equity and consulting. She joined Bain Capital Advisors (India) Private Limited in 2015, where she is currently designated as a principal, focusing on investments in the financial services and consumer verticals.Prior to joining Bain Capital Advisors (India) Private Limited, Radhika was a business analyst at McKinsey & Co where she worked on several engagements in financial services, health care, and industrials. Prior to this work, she worked as a senior executive at Wockhardt Ltd. She holds a bachelor's degree in commerce from Podar College of Commerce and Economics and is a Chartered Accountant from the Institute of Chartered Accountants of India

Mr. Rajesh Kumar Rathanchand Director DIN: 08708450	He is a Non Executive and Independent Director of our company. He is a seasoned financial services executive with over 32 years of experience driving transformative growth, innovation and operational excellence across India's leading banking and credit bureau institutions. Most recently, he served as Managing Director & CEO of Transunion CIBIL Ltd. He was responsible for strategizing and steering their business to support India's financial ecosystem in navigating sustainable credit growth while managing risk. He led the organization through a period of growth, during which Transunion CIBIL advanced its digital capabilities, strengthened governance and built a scalable IT and risk architecture to meet future demands. Before joining Transunion CIBIL in 2020, he served as the Group Head for Retail Credit and Risk at HDFC Bank, where he was a key member of the leadership team. He was responsible for conceptualizing, managing and expanding the bank's retail credit portfolio—including personal, commercial, vehicle, agriculture, and microfinance loans—alongside overseeing the payments business. Over two decades, his expertise in credit risk management and strategic leadership enabled HDFC Bank to maintain market leading asset quality and credit/fraud loss metrics, while driving sustained double-digit CAGR through resilient risk strategies, embedded analytics in credit decisioning and scaling teams to over 16,000 professionals.
Mr. Balaji Veeravalli Vijayaraghavan Director DIN: 05122430	He is a Non Executive and Independent Director of our company. He is a seasoned leader with over three decades of experience across banking, insurance, telecommunications and manufacturing, with a career spanning Finance and Accounting, Customer Service, Operations and Information Technology. His experience combines financial management, business operations and the application of technology to deliver scalable solutions. Over the years, he has played a role in driving digital adoption, building long-term technology roadmaps, and preparing organizations for large-scale transformation. He comes across as a sharp, business-oriented technology leader with a strong learning mindset. He has been focussed not only on how technology can be leveraged to deliver outcomes in an efficient manner but to strategically transform all aspects of a Bank right from product innovation, go to market, customer experience, risk management etc. He is not a core technologist but brings a high level of tech savviness through his depth and breadth of experience as the CTO of ICICI bank. Balaji has made a successful transition from Operations and Services to Technology, demonstrating a strong combination of domain expertise and technical acumen.

Key Managerial Personnel	Particulars
Mr. Manoj Pasangha Co-Chief Executive Officer	Mr. Manoj Pasangha serves as Co-CEO of Asirvad Micro Finance Limited. He served as Executive Vice President at ING Life India for 10 years successfully initiating and steering various innovative urban and rural initiatives before moving on as Chief Operating Officer at Bharat Financial Inclusion Limited for nine years, where Mr. Manoj Pasangha was instrumental in overseeing operations, business development and leading strategic initiatives. Following this, Mr. Manoj Pasangha excelled as Deputy Chief Executive Officer at IIFL Samasta for over three years, driving significant growth, profitability and operational excellence in the organisation. Mr. Manoj Pasangha holds qualifications in Commerce (Bangalore), Public Relations, Publicity & Promotions (Australia). As an industry veteran, he served as Vice Chairman of the Association of Microfinance Institution in Karnataka (AKMI). Mr. Manoj Pasangha brings with him a mix of expertise in scaling operations, business development, focused and strategically calibrated growth in complex geographies and market conditions ensuring long term scalable, sustainable and profitable business with technology orientation. A stickler for compliance and process adherence, he is known in the industry as a person with very strong people leadership & mentorship qualities
Dr. Roy Varghese Chief Executive Officer	Dr. Roy Varghese serves as the Chief Executive Officer of Asirvad Microfinance Limited.. With more than 33 years of extensive experience in the banking sector, Dr. Roy has developed expertise in Retail Banking, Corporate Banking, Foreign Exchange, and Financial Inclusion. His professional strengths include branch banking, business development, underwriting, risk management, product innovation, microfinance, agricultural loans, and financing small business enterprises. Before joining Asirvad, Dr. Roy held significant leadership roles in prominent banking institutions such as NMGB, IDBI Bank, Axis Bank, Jana Small Finance Bank, and CSB Bank Ltd. At CSB Bank, as Senior Executive Vice President, he led the Agriculture and Financial Inclusion Division, where he played a pivotal role in establishing and expanding the bank's outreach and diversifying its services. At Jana Small Finance Bank, he served as Vice President and Head- Agri & Gold

	Loan business, driving the growth of rural financial services. His 15-year tenure at Axis Bank included several key positions, with his final role being National Product Head for Agricultural Lending. Dr. Roy holds a bachelor's degree in commerce, an MBA in Banking & Finance, and a Ph.D. in Management. He is also an Associate of the Indian Institute of Bankers, underscoring his commitment to professional development and excellence in the financial sector. In his role at Asirvad, Dr. Roy is primarily responsible for the overall growth of the Company along with operational efficiency, risk management, and high level of regulatory compliance. Dr. Roy's commitment to collaboration extends beyond operational strategies. Dr. Roy's leadership embodies Asirvad's vision and mission to provide sustainable financial solutions to the economically active poor across the country. His emphasis on scalable and inclusive solutions not only strengthens the organization's presence but also deepens its impact on communities striving for economic independence.
Mr. Amandeep Singh Chief Financial Officer	Amandeep Singh serves as the Chief Financial Officer of the Company. He is a Chartered Accountant, a qualified Company Secretary, and holds a Master's degree in Commerce. He has also earned the Ind AS Certification from the Institute of Chartered Accountants of India (ICAI). With 15+ years of experience, Mr. Singh has built deep expertise in finance, accounting, treasury, taxation, financial reporting, corporate governance, and regulatory compliance across NBFCs, listed companies, and public sector enterprises. Prior to joining the Company, he served as the Chief Financial Officer at Nexedge Finance, where he was a member of the Nexedge Group's founding team. Before that, he headed the Finance & Accounts function at Fusion Finance Limited and also served as its Interim Chief Financial Officer. Earlier in his career, Mr. Singh worked with Bharat Electronics Limited, a Navratna Public Sector Undertaking, and other listed companies, where he held various finance leadership roles and gained extensive experience in financial management.

Mr. Mithun B Shenoy Company Secretary	Mithun B Shenoy is the Company Secretary and Compliance Officer of our Company. He is a fellow member of the Institute of Company Secretaries of India (ICSI). He holds PG in commerce, and qualified the intermediate stage of Institute of Cost Accountants of India (ICMAI). Earlier, he associated with Kitex Garments Limited and STEL Holdings Ltd (RPG Group Company) as Company Secretary and Compliance Officer. He also worked with Federal Bank as Senior Manager and Manappuram Finance Limited as Deputy General Manager. He has over 15 years of post-Company Secretary experience in setting up of compliance frameworks and executing corporate actions of the Company including legal functions. He is a visiting faculty of ICSI Kochi Chapter and other chapters across Kerala since 2014 and ICMAI Cochin Chapter (since 2024) for corporate laws, Securities laws, Economic & Business laws. He being a motivational speaker, used to give talk at the professional development programs organized by various Chapters of ICSI & CA institute (ICAI) and being a trainer, he has been conducting various workshops and training session for the CS students. He has also delivered various lecturers at various programs organised by Universities i.e., Central University of Kerala, Kasargod; CUSAT, Kochi and various colleges in Ernakulam & Kottayam. He was inducted into interview board of a government company for recruiting professionals. Currently, he is a governing board member of VISAT Group of institutions and also an expert guest speaker (corporate laws) of a finance school. He is also a regular writer in ICSI journal i.e., ICSI Chartered Secretary Magazine and has published various write ups on concurrent topics related to the corporate world. He also received one of best article award for write up published in the chartered secretary magazine. He was inducted into the Managing Committee of ICSI Kochi in the year 2015. Since then, he has held the position of Secretary, Vice Chairperson and Chairman. During his chairmanship in 2022, ICSI Kochi bagged with 2 prestigious awards i.e., National Best Chapter (for the first time) & best chapter in golden grade category - which were conferred by Shri Jagdeep Dhankar, Vice President of India on November 2, 2023 at National Convention of Company Secretaries at Varanasi.

	He also received an Endowment Award from the ICSI Kochi Chapter in 2010 for securing the highest marks in Company Law (Executive Programme).

(iv) Details of directors' remuneration and such particulars of the nature and extent of their interests in the Issuer during current year and preceding three financial years:

(a) Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis;

Details of directors' remuneration during the current year and last three years is as follows:

(Rs. in Lakhs)

Name of Director	April-June 2026	FY 2025-26	FY 2024-25	FY 2023-24
Mr. V. P.Nandakumar	-	-	-	-
Mr. S V Raja Vaidyanathan***	2.16	12.65	11.89	26.00
Mr. B N Raveendra Babu*****	-	83.70	152.68	204.34
Mr. Gautam Saigal***	2.25	8.81	10.34	28.36
Mr. T. Balakrishnan***	2.36	12.78	12.01	28.15
Mr. A Ramanathan*	-	-	14.00*	6.78
Mr. Desh Raj Dogra	5.54	8.42	10.15	30.33
Mrs. Pushya Sitaraman***	1.92	7.11	7.18	25.47
Mr. S. K. Mitra***	1.53	6.14	6.65	25.33
Mr. Abhijit Sen***	2.06	8.62	9.83	24.57
Mr. Harshan Kollara Sankarakutty***	2.25	8.55	10.18	26.65

Ms. Anita Belani**	-	3.27	5.07	18.61
Mr. Balaji Vijayaraghavan Veeravalli****	1.74	-	-	-
Mr. Rajesh Kumar Rathanchand****	4.79	-	-	-

Note- *Mr. A Ramanathan, Independent Director of the Company retired as on November 30, 2023. This was the commission paid for the FY 2023-24.

**Ms. Anita Belani, Independent Director of the Company, has resigned from the w.e.f the closing hours of October 09, 2025

*** Mr. Abhijit Sen, Mr. S V Raja Vaidyanthan, Mr. Gautam Saigal, Mr. S K Mitra, Mr. T Balakrishnan, Mr. Harshan Kollara Sankarakutty and Ms. Pushya Sitaraman resigned from the Board of the company (Pursuant to the terms of the securities subscription agreement and shareholder's agreement dated March 20, 2025, executed by and between the Company and BC Asia Investments XXV Limited and BC Asia Investments XIV Limited) on May 05, 2026.

****Board has re-constituted on May 05, 2026 - Pursuant to the terms of the securities subscription agreement and shareholder's agreement dated March 20, 2025, executed by and between the Company and BC Asia Investments XXV Limited and BC Asia Investments XIV Limited

***** Mr. B.N. Raveendra Babu resigned from the position of Managing Director of the Company on 2nd June 2025

(b) Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company;

Nil

(c) Full particulars of the nature and extent of interest, if any, of every director:

(i) in the promotion of the issuer company; or

None of our Directors have any interests in the promotion or formation of our Company. For further details, see "Our Promoter and Promoter Group -Interests of Promoter and Common Pursuits

(ii) in any immoveable property acquired by the issuer company in the two years preceding the date of this General Information Document or any immoveable property proposed to be acquired by it; or

None of our Directors have any interest in any immovable property acquired or proposed to be acquired of the Company or by the Company.

(iii) where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or

shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies, in which they are interested as members by any person either to induce them to become or help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

(iv) Contribution being made by the directors as part of the offer or separately in furtherance of such objects:

Nil

T. Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons.

Nil

U. Following details regarding the auditors of the Company:

(i) Details of the auditors of the Company:

Name of the auditor	Address	Date of Appointment
A John Moris & Co., Chartered Accountants Registration No: 007220 S	No.5, Lakshmipuram, 1st Street, Deivasigamani Road (Near Music Academy) Royapettah, Chennai- 600014 Tamil Nadu, India	September 30, 2024

(ii) Details of change in auditors for the preceding three financial years and current financial year:

Name of the auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable	Remarks
M. P. Chitale & Co. Chartered Accountants Registration No.101851W	759/70, Vatsala Bhawan, Prabhat Road, Lane No.1, Pune, Maharashtra – 411004	September 08, 2021	September 30, 2024	-	-
A John Moris & Co., Chartered Accountants	No.5, Lakshmipuram, 1st Street, Deivasigamani Road (Near Music Academy) Royapettah, Chennai-	September 30, 2024	-	-	-

Registration No: 007220 S	600014				

V. Details of the following liabilities of the Issuer, as on last Quarter ended.

(i) Details of Outstanding Secured Loan Facilities, as on June 30, 2026

S.NO	Name of lender	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date/ Schedule	Security	Credit Rating	Asset Classification
1	Aditya Birla Finance Limited	TL	300	27.84	Repayment in 36 equal monthly Installment	Exclusive charge by way of Hypothecation on loan receivables with minimum cover of 1.10x	CRISIL AA-/ STABLE	Standard Asset
2	Axis Bank Limited	TL	1000	749.98	Principal to be repaid in 8 equal quarterly instalments commencing from the end of 3rd month from the date of disbursement. Interest to be serviced at monthly rest.	Exclusive hypothecation charge on standard book debts equivalent to 110% our assistance.	CRISIL AA-/ STABLE	Standard Asset
3	Axis Bank Limited	TL	1000	749.96	Principal to be repaid in 8 equal quarterly instalments commencing from the end of 3rd month from the date of disbursement. Interest to be serviced at monthly rest.	Exclusive hypothecation charge on standard book debts equivalent to 110% our assistance.	CRISIL AA-/ STABLE	Standard Asset
4	Axis Bank Limited	TL	2000	2000.00	Principal to be repaid in 9 equal	Exclusive hypothecation charge on	CRISIL AA-/ STABLE	Standard Asset

					quarterly instalments commencing at the end of 1 year from the date of disbursement. Interest to be serviced at monthly rest.	standard book debts equivalent to 110% of our assistance.		
5	Bandhan Bank Limited	TL	1000	1000.00	The Facility shall be repaid in 7 equal quarterly instalments post 3 months moratorium on 5th day of every month	Exclusive charge on standard receivables (with DPD<30 days) both present & future of the company with a security cover of 1.1x	CRISIL AA-/ STABLE	Standard Asset
6	Bandhan Bank Limited	TL	1000	142.86	Principal to be repaid in 7 quarterly instalments post 3 month's moratorium.	Exclusive charge on standard receivables both present and future of the company with a security cover of 1.1x	CRISIL AA-/ STABLE	Standard Asset
7	Bandhan Bank Limited	TL	1000	142.86	Principal to be repaid in 7 quarterly instalments post 3 month's moratorium.	Exclusive charge on standard receivables both present and future of the company with a security cover of 1.1x	CRISIL AA-/ STABLE	Standard Asset
8	Bank of Baroda	TL	4000	364.00	Repayable in 10 quarterly installments of Rs. 15 crores each, commencing after 5 months after the date of first disbursement.	Exclusive charge over the loan asset/ book debts to be maintained at a minimum 1.11x	CRISIL AA-/ STABLE	Standard Asset
9	Bank of Baroda	TL	1000	145.00	Repayable in 10 quarterly installments of Rs. 19 crores each, and last installment of 10 crores, commencing after 3 months	Exclusive charge over the loan asset/ book debts to be maintained at a minimum 1.11x	CRISIL AA-/ STABLE	Standard Asset

					after the date of first disbursement.			
10	Bank of Baroda	TL	500	72.50	Repayable in 10 quarterly installments of Rs. 19 crores each, and last installment of 10 crores, commencing after 3 months after the date of first disbursement.	Exclusive charge over the loan asset/ book debts to be maintained at a minimum 1.11x	CRISIL AA-/ STABLE	Standard Asset
11	Bank of Baroda	TL	500	72.50	Repayable in 10 quarterly installments of Rs. 19 crores each, and last installment of 10 crores, commencing after 3 months after the date of first disbursement.	Exclusive charge over the loan asset/ book debts to be maintained at a minimum 1.11x	CRISIL AA-/ STABLE	Standard Asset
12	Bank of Baroda	TL	3000	1250.00	Repayable in 10 quarterly installments, commencing after 5 Months after the date of 1st disbursements .	The demand loan secured by asset cover for the loan assets/ book debts to be maintained at a minimum of 1.11	CRISIL AA-/ STABLE	Standard Asset
13	Bank of India	TL	1500	185.83	The proposed Demand Loan will be repayable in 8 quarterly equal instalments commencing after initial moratorium of 12 months from the date of first disbursement.	Exclusive charge on book debts with asset cover of 110%.	CRISIL AA-/ STABLE	Standard Asset
14	Canara Bank	TL	400	145.88	To be repaid in 11 structured quarterly instalments after	Exclusive 1st charge by way of hypothecation of all standard receivables/ book debts of	CRISIL AA-/ STABLE	Standard Asset

					moratorium of 3 months from the date of 1st disbursement.	the company both present and future with ACR 1.11 times		
15	City Union Bank Limited	TL	200	99.84	Repayable in 8 equal quarterly instalments.	110%	CRISIL AA-/ STABLE	Standard Asset
16	CTBC Bank Co., Ltd.	TL	1200	600.00	Two equal annual instalments as below: 1st instalment: 18 months from the date of drawdown 2nd Instalment: 24 months from the date of drawdown	Exclusive charge by way of hypothecation of secured standard loan receivables specifically identified by the borrower with a minimum asset cover of 1.10 times	CRISIL AA-/ STABLE	Standard Asset
17	DBS Bank	TL	1000	1000.00	Each tranche will have principal repayment in 24 equal monthly installments, post 3 months of a moratorium.	1.1x exclusive charge on receivables maintained on the outstanding level.	CRISIL AA-/ STABLE	Standard Asset
18	DCB Bank Limited	TL	750	124.48	Loan to be repaid in 26 equal monthly instalments Moratorium period - 2 months Total tenor - 24 months Interest to be serviced separately as and when due at monthly rests including moratorium period	Exclusive Hypothecation Charge on Book Debts covering 110% of DCB term Loan Outstanding	CRISIL AA-/ STABLE	Standard Asset
19	DCB Bank Limited	TL	850	813.68	27 months including moratorium of 3 months from the date of disbursement	Exclusive book debt hypothecation charge on 110% of DCB term loan outstanding	CRISIL AA-/ STABLE	Standard Asset

20	Equitas Small Finance Bank Limited	TL	1000	833.33	Principal repayment to be serviced in 5 Equal Quarterly Instalments of Rs.16,66,70,000/- and the balance principal to be paid in the 6th Quarterly Instalment. Interest to be serviced at monthly rest, when applied	Exclusive First Floating charge on the gold loan receivables, created out of Equitas' loan proceeds with margin to the extent of 1.15x of the total loan outstanding at any point of time	CRISIL AA-/ STABLE	Standard Asset
21	The Federal Bank Limited	TL	1000	82.24	Repayment in equal monthly instalments	Exclusive charge on specific receivables of the company arising out of onlending to small and marginal farmers with margin 10% on receivables (1.11x coverage) with DPD less than 60 days.	CRISIL AA-/ STABLE	Standard Asset
22	The Federal Bank Limited	TL	500	124.66	Repayment in equal monthly instalments	Exclusive charge on specific receivables of the company arising out of onlending to small and marginal farmers with margin 10% on receivables (1.11x coverage) with DPD less than 60 days.	CRISIL AA-/ STABLE	Standard Asset
23	The Federal Bank Limited	TL	500	124.55	Repayment in equal monthly instalments	Exclusive charge on specific receivables of the company arising out of onlending to small and marginal farmers with margin 10% on	CRISIL AA-/ STABLE	Standard Asset

						receivables (1.11x coverage) with DPD less than 60 days.		
24	The Federal Bank Limited	TL	1000	756.72	37 Equal monthly instalments	1.1x Exclusive charge by way of hypothecation of specific standard receivables of the Company arising out of on- lending to Small and marginal farmers	CRISIL AA-/ STABLE	Standard Asset
25	The Federal Bank Limited	TL	750	689.18	Repayment in 37 months in equal monthly Instalment, commencing upon expiry of Moratorium Period	1.1x Exclusive charge on specific standard receivables of the Company arising out of on-lending to Small and marginal farmers	CRISIL AA-/ STABLE	Standard Asset
26	The Federal Bank Limited	TL	500	500.00	Repayable in 24 (No. of EMIs) equated monthly instalments each commencing upon expiry of Moratorium Period	1.1x First & Exclusive charge on specific receivables of the Company arising out of Exclusive charge on specific receivables arising out of on lending to eligible small borrowers	CRISIL AA-/ STABLE	Standard Asset
27	HDFC Bank Limited	TL	1000	875.00	24 months Monthly EMI without moratorium	Book debts: 110% of book debts with nil DPDs	CRISIL AA-/ STABLE	Standard Asset
28	The Hongkong and Shanghai Banking Corporation Limited	TL	1000	250.00	Equal Monthly Installments	Exclusive charge on identified loan assets of the company created out of the financial assistance provided by HSBC. Asset cover of 1.10x	CRISIL AA-/ STABLE	Standard Asset

29	The Hongkong and Shanghai Banking Corporation Limited	TL	500	208.33	Equal Monthly Installments	Exclusive charge on identified loan assets of the company created out of the financial assistance provided by HSBC. Asset cover of 1.10x	CRISIL AA-/ STABLE	Standard Asset
30	The Hongkong and Shanghai Banking Corporation Limited	TL	1000	874.99	24 equal monthly installments	Exclusive Charge on identified loan assets of the company created out of the financial assistance provided by HSBC. Asset cover of 1.10x.	CRISIL AA-/ STABLE	Standard Asset
31	The Hongkong and Shanghai Banking Corporation Limited	TL	250	250.00	24 equal monthly installments	Exclusive Charge on identified loan assets of the company created out of the financial assistance provided by HSBC. Asset cover of 1.10x.	CRISIL AA-/ STABLE	Standard Asset
32	ICICI Bank Limited	TL	1500	1312.50	The principal amount of the Facility shall be repaid in 8 equal quarterly instalments	Exclusive charge by the way of Hypothecation of book debts arising out of the Facility. The hypothecated assets must cover at least 110% of the amount outstanding under the Facility.	CRISIL AA-/ STABLE	Standard Asset
33	ICICI Bank Limited	TL	500	437.50	The principal amount of the Facility shall be repaid in 8 equal quarterly instalments	Exclusive charge by the way of Hypothecation of book debts arising out of the Facility. The hypothecated assets must cover at least	CRISIL AA-/ STABLE	Standard Asset

						110% of the amount outstanding under the Facility.		
34	ICICI Bank Limited	TL	2000	2000.00	The principal amount of the Facility shall be repaid in 8 equal quarterly installments	Exclusive charge by way of Hypothecation of boob debts arising out of the Facility. The Hypothecation assets must cover at least 110% of the amount outstanding under the Facility	CRISIL AA-/ STABLE	Standard Asset
35	IDBI Bank Limited	TL	500	104.09	principal to be repaid on 24 equal monthly installments commencing after a moratorium of 3 months from the date of each disbursement. The MFI shall ensure that the average maturity of priority sector assets created out of the bank loan shall be co-terminus with the maturity of bank loan. The MFI shall undertake to submit working/ certificate for compliance of coterminous clause in terms of regulatory guidelines.	Hypothecation of receivables/book debts/assets arising out of the loans extended by IDBI bank. Asset coverage to be maintained at 110% of the loan outstanding	CRISIL AA-/ STABLE	Standard Asset
36	IDBI Bank Limited	TL	1000	1000.00	Principal to be repaid in 24 equal Monthly	Exclusive charge by way of Hypothecation	CRISIL AA-/ STABLE	Standard Asset

					Instalments after the moratorium of 12 months from the date of each disbursement.	of receivables/book debts/assets arising out of the loans extended by the IDBI Bank. Asset coverage to be maintained at 110% or the percentage decided under the scheme of the loan outstanding		
37	IDFC FIRST Bank Limited	TL	1000	375.00	24 months, principal amount be repaid in monthly installments	A first exclusive charge of present and future book debts and receivables with a security cover of 1.1x .All book debts charged should be standard	CRISIL AA-/ STABLE	Standard Asset
38	IDFC FIRST Bank Limited	TL	500	195.65	24 months, principal amount be repaid in monthly installments	A first exclusive charge of present and future book debts and receivables with a security cover of 1.1x .All book debts charged should be standard	CRISIL AA-/ STABLE	Standard Asset
39	IDFC FIRST Bank Limited	TL	2000	1444.44	36 months. Repayment in Equal Monthly Instalments.	An Exclusive charge of present and future book debts and receivables with a security cover of 1.1x. All book debts charged should be Standard	CRISIL AA-/ STABLE	Standard Asset
40	IDFC FIRST Bank Limited	TL	1500	1083.33	36 months. Repayment in Equal Monthly Instalments.	An Exclusive charge of present and future book debts and receivables with a security cover of 1.1x. All book debts charged should	CRISIL AA-/ STABLE	Standard Asset

						be Standard		
41	IDFC FIRST Bank Limited	TL	750	687.50	Repayment shall be in 36 Equal monthly repayment from the date of disbursement.	Exclusive charge of present and future book debts and receivables with a security cover of 1.1x.	CRISIL AA-/ STABLE	Standard Asset
42	IDFC FIRST Bank Limited	TL	1550	1420.83	Repayment shall be in 36 Equal monthly repayment from the date of disbursement.	Exclusive charge of present and future book debts and receivables with a security cover of 1.1x.	CRISIL AA-/ STABLE	Standard Asset
43	Indian Overseas Bank	TL	100	59.93	1. Door to Door tenor is 60 months 2. The term loan is to be repaid in 10 equal half yearly instalments	Exclusive first charge by way of hypothecation of identified/ specific book debts (principal amount pertains to standard/ regular underlying assets) with asset coverage of 1.10x of gold loan receivables.	CRISIL AA-/ STABLE	Standard Asset
44	Indian Overseas Bank	TL	1400	838.91	1. Door to Door tenor is 60 months 2. The term loan is to be repaid in 10 equal half yearly instalments	Exclusive first charge by way of hypothecation of identified/ specific book debts (principal amount pertains to standard/ regular underlying assets) with asset coverage of 1.10x of gold loan receivables.	CRISIL AA-/ STABLE	Standard Asset
45	Karnataka Bank Limited	TL	500	227.54	36 Months with 10 quarterly instalments	Exclusive charge by way of hypothecation of standard receivables of the company arising out of onward lending Agri. & Allied activities weaker section - priority	CRISIL AA-/ STABLE	Standard Asset

						sector with asset cover of 1.10 times of the outstanding amount at any point of time.		
46	Kotak Mahindra Bank Limited	TL	500	20.83	Principal shall be repaid by way of 24 monthly instalments starting from 3rd month from date of disbursement of each tranche.	First and exclusive charge on the micro loan receivables created out of KMBL's finance pertaining to borrowers engaged in agriculture and allied activities/belonging to weaker sections/ belonging to MSE segment/belonging to OPSL with 110% cover in the form of receivables.	CRISIL AA-/ STABLE	Standard Asset
47	Kotak Mahindra Bank Limited	TL	500	479.17	Principal shall be repaid by way of 24 monthly instalments starting from 3rd month from date of disbursement of each tranche. Interest to be serviced at monthly intervals.	First and exclusive charge on the micro loan receivables created out of KMBL’s finance pertaining to borrowers engaged in agriculture and allied activities/belonging to weaker sections/ belonging to MSE segment/ belonging to OPSL with 110% cover in the form of receivables.	CRISIL AA-/ STABLE	Standard Asset
48	Kotak Mahindra Bank Limited	TL	1000	1000.00	Principal shall be repaid by way of 24 monthly installments starting from 3rd month from date of	First and exclusive charge on the micro loan receivables created out of KMBL's finance pertaining to borrowers	CRISIL AA-/ STABLE	Standard Asset

					disbursement	engaged in agriculture and allied activities/belonging to OPSL with 110% cover in the form of receivables.		
49	Micro Units Development and Refinance Agency Limited	TL	2500	2500.00	The loan shall be repayable in bullet repayment fixed on December 11, 2026.	Exclusive first charge by way of hypothecation on all the book debts and receivables of the borrower, to an extent of 100% covered under the term loan availed from MUDRA	CRISIL AA-/ STABLE	Standard Asset
50	National Bank for Agriculture and Rural Development	TL	4000	240.00	The loan has to be repaid on quarterly basis.	The security assigned shall be 1.10 times of the amount of loan released	CARE AA-/ STABLE	Standard Asset
51	National Bank for Agriculture and Rural Development	TL	3000	420.00	The loan has to be repaid on quarterly basis.	The security assigned shall be 1.10 times of the amount of loan released	CARE AA-/ STABLE	Standard Asset
52	National Bank for Agriculture and Rural Development	TL	3000	1650.00	The loan has to be repaid on quarterly basis.	The security assigned shall be 1.10 times of the amount of loan released	CARE AA-/ STABLE	Standard Asset
53	NABKISAN Finance Limited	TL	700	63.32	The principal amount shall be repaid in 11 equal quarterly instalments after moratorium of one quarter.	First & exclusive charge by way of hypothecation of 110% of standard book debts.	CRISIL AA-/ STABLE	Standard Asset
54	Northern Arc Capital Limited	TL	400	276.28	24 equal monthly installments	1.10x (One Point One Zero times) of the amounts outstanding under the Facility.	CRISIL AA-/ STABLE	Standard Asset
55	Odisha Gramya Bank	TL	750	312.39	The entire loan amount shall be repayable in 12 equal quarterly	Minimum Asset Coverage Ratio of 1-10.times by way of Standard Asset Loan Receivables of	CRISIL AA-/ STABLE	Standard Asset

					installments after completion of 3 months moratorium period.	the company to the outstanding loan amount		
56	Punjab National Bank	TL	1500	186.34	Door to Door tenor of 2 Years 3 Months (27 Months) including 3 Months moratorium & repayable in 08 equal quarterly instalments.	1st charge by way of hypothecation of book debts to secure our term loan subject to minimum of 112% of the term loan (Standard Assets). If some of the receivables became NPA the same should be replaced by the Standard assets so that our security should be 112% of the term loan till closure of the Term loan	CRISIL AA-/ STABLE	Standard Asset
57	RBL Bank Limited	TL	750	93.75	8 quarterly instalments commencing from third month of drawdown	Exclusive first charge on portfolio of receivables as acceptable to bank, from time to time covering 1.10x of the principal at any point of time during the currency of the facility	CRISIL AA-/ STABLE	Standard Asset
58	RBL Bank Limited	TL	1000	750.00	8 quarterly instalments commencing from third month (2 months moratorium) of drawdown	Exclusive first charge (floating) on portfolio of receivables as acceptable to bank, from time to time covering 110% of the principal at any point of time during the currency of the facility	CRISIL AA-/ STABLE	Standard Asset
59	RBL Bank Limited	TL	1250	1093.75	8 quarterly instalments commencing	Exclusive first charge (floating) on portfolio of	CRISIL AA-/ STABLE	Standard Asset

					from third month (2 months moratorium) of drawdown	receivables as acceptable to bank, from time to time covering 110% of the principal at any point of time during the currency of the facility		
60	RBL Bank Limited	TL	1500	1500.00	Bullet on maturity	Exclusive first charge (floating) on portfolio of receivables as acceptable to bank, from time to time covering 110% of the principal at any point of time during the currency of the facility	CRISIL AA-/ STABLE	Standard Asset
61	SBM Bank Limited	TL	450	99.87	Repayable in 9 quarterly instalments after one quarter of moratorium Interest to be serviced monthly on end of each month.	110%	CRISIL AA-/ STABLE	Standard Asset
62	SBM Bank Limited	TL	500	312.42	Repayable in 9 quarterly instalments after one quarter of moratorium Interest to be serviced monthly on end of each month.	110%	CRISIL AA-/ STABLE	Standard Asset
63	SBM Bank Limited	TL	700	583.32	Repayable in 24 monthly instalments after one quarter of moratorium. Interest to be serviced monthly on end of each month	Exclusive charge on receivables pertaining to the standard asset portfolio of the borrower eligible for bank finance subject to a minimum cover of 1.10 times at all times	CRISIL AA-/ STABLE	Standard Asset

64	Small Industries Development Bank of India (SIDBI)	TL	2000	516.50	The term loan shall be repaid in 36 months including a moratorium of 6 months from the date of first disbursement of loan	100%	CRISIL AA-/ STABLE	Standard Asset
65	Small Industries Development Bank of India (SIDBI)	TL	3000	1200.00	The term loan shall be repaid in 36 months including a moratorium of 6 months from the date of first disbursement of loan	100%	CRISIL AA-/ STABLE	Standard Asset
66	The South Indian Bank Limited	TL	1500	1500.00	17 Monthly instalments	Asset coverage ratio of 1.10 times the outstanding term loan amount is to be maintained	CRISIL AA-/ STABLE	Standard Asset
67	Standard Chartered Bank	TL	438.75	109.69	Repayment amount(s) and due date(s) for repayment of the Facility will be advised by the Bank at the time of each utilisation. Each utilisation will be repaid on the last day of its term. Advances maturing on the same date may be consolidated into a single advance at the sole discretion of the Bank.	Specific charge on standard receivables of the Borrower with an asset cover of 115% of total outstanding principal	CRISIL AA-/ STABLE	Standard Asset
68	Standard Chartered Bank	TL	144.25	36.06	Repayment amount(s) and due date(s) for repayment of the Facility will be	Specific charge on standard receivables of the Borrower with an asset cover of 115%	CRISIL AA-/ STABLE	Standard Asset

					advised by the Bank at the time of each utilisation. Each utilisation will be repaid on the last day of its term. Advances maturing on the same date may be consolidated into a single advance at the sole discretion of the Bank.	of total outstanding principal		
69	Tata Capital Limited	TL	420	265.71	Loan shall be repaid by way of 24 Equated Monthly Instalments (EMI) starting from the consecutive month of first disbursement. Interest on monthly basis	First and Exclusive charge by way of hypothecation over the book debts of the company related to gold loan portfolio at a minimum of 1.10x of the loan outstanding excluding overdue portfolio >30 days as per satisfaction of TCL	CRISIL AA-/ STABLE	Standard Asset
70	Tata Capital Limited	TL	2000	1416.67	Interest to be paid on Monthly basis on every month from the date of first disbursement till Maturity. Principal payable in 24 Equal Monthly Instalments till Maturity	Exclusive charge by way of hypothecation over the book debts of the company related to gold loan portfolio at a minimum of 1.10x of the loan outstanding excluding overdue portfolio >30 days as per satisfaction of TCL	CRISIL AA-/ STABLE	Standard Asset
71	Tata Capital Limited	TL	180	136.96	Loan shall be repaid by way of 24 Equated Monthly Instalments	First and Exclusive charge by way of hypothecation over the book	CRISIL AA-/ STABLE	Standard Asset

					(EMI) starting from the consecutive month of first disbursement. Interest on monthly basis	debts of the company related to gold loan portfolio at a minimum of 1.10x of the loan outstanding excluding overdue portfolio >30 days as per satisfaction of TCL		
72	UCO Bank	TL	1000	124.72	The entire term loan is to be repaid in 8 equal quarterly installments. Interest to be serviced as and when charged.	The facility shall be secured by exclusive charge by means of hypothecation of book debts to the extent of 110% of facility amount	CRISIL AA-/ STABLE	Standard Asset
73	Unity Small Finance Bank	TL	500	500.00	Principal to be repaid as a bullet repayment at the end of the tenor (120 days)	1.1x of the outstanding principal amount	CRISIL AA-/ STABLE	Standard Asset
74	WorldBusiness Capital, INC.	TL	1111.5	389.03	The loan shall be paid in 20 approximately equal installments on each payment date , commencing on the first payment date that occurs not less than 24 months after the date of the first disbursement and ending no later than 20th payment date after such first payment date .the principal of all disbursements of the loan than outstanding together with	110% of the book debts	CRISIL AA-/ STABLE	Standard Asset

					all other amounts outstanding under this agreement and any other financing document, shall be paid in full on the maturity date.			
75	YES Bank Limited	TL	2000	93.06	Interest payment monthly Principal repayment to be repaid in 24 equal monthly installments per tranche	The facility will be secured by first and exclusive charge on all specific standard loan assets/book debts, both present and future assigned/created out of bank finance, to the extent of 1.10x of the facility amount outstanding at any point time.	CRISIL AA-/ STABLE	Standard Asset

(ii) Details of Outstanding Unsecured Loan Facilities, as on June 30, 2026

Sr. No	Name of lender	Type of Facility	Amount Sanctioned (in ₹ million)	Principal Amount outstanding	Repayment Date/ Schedule	Credit Rating, if applicable
1	Manappuram Finance Limited	TL	1000	900.00	Bullet Payment	N/A
2	Manappuram Finance Limited	TL	1000	1000.00	Bullet Payment	N/A
3	Manappuram Finance Limited	TL	500	500.00	Bullet Payment	N/A

(iii) Details of Commercial Paper issuances as on June 30, 2026

Series	ISIN	Tenor/ Period of maturity	Coupon	Amount Outstanding	Date of allotment	Redemption date/ Schedule	Credit rating	Secured/ Unsecured	Security	Other Details *viz.* Details of

										Issuing and Paying Agent, Details of Credit Rating Agencies
NA	NE516Q14263	1 year	8.35%	50,00,00,000	10-July-2025	09-Jul-26	Crisil A1+	Unsecured	NA	HDFC Bank Limited Crisil Rating
NA	NE516Q14271	1 year	8%	1,00,00,00,000	23-Sep-2025	23-Sep-26	Crisil A1+	Unsecured	NA	HDFC Bank Limited Crisil Rating

(iv) Details of outstanding non-convertible securities, as on June 30, 2026

Debenture Series/ ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security
NA/ INE516Q08372	6 Years	13.50 % p.a	50 Cr	31-Dec-21	31-Dec-27	CRISIL AA-/Stable	Unsecured	NA
NA/ INE516Q08380	5 Years 2 Months	13.50% p.a	55 Cr	31-Mar-22	31-Mar-27	CRISIL AA-/Stable	Unsecured	NA
NA/ INE516Q08398	6 years	11.25% p.a	100 Cr	03-Oct-22	03-Oct-28	CRISIL AA -/Stable	Unsecured	NA
NA/ INE516Q08406	6 Years	11.25% p.a.	50 Cr	25-Nov-22	25-Nov-28	CRISIL AA -/Stable	Unsecured	NA

NA/ INE516Q08414	6 Years	11.25% p.a	25 Cr	31-Mar-23	31-Mar-29	CRISIL AA -/Stable	Unsecured	NA
NA/ INE516Q08422	6 years	11.25% p.a	150 Cr	16-May-23	16-May-29	CRISIL AA -/Stable	Unsecured	NA
NA/ INE516Q08430	7 Years	11.25% p.a	100 Cr	07-July-23	07-July-30	CRISIL AA -/Stable	Unsecured	NA
A/INE516Q08448	3 years	8.70%	25 Cr	12-Aug-25	12-Aug-28	CRISIL AA-/Stable	Unsecured	NA
NA/INE516Q08455	3 years	8.70%	75 Cr	29-Aug-25	29-Aug-28	CRISIL AA-/Stable	Unsecured	NA
Series I/INE516Q08463	2 years	8.60%	25 Cr	19-Sep-25	19-Sep-27	CRISIL AA-/Stable	Unsecured	NA
Series II/INE516Q08471	3 years	8.70%	55 Cr	19-Sep-25 & 26-Dec-25	19-Sep-28	CRISIL AA-/Stable	Unsecured	NA
NA/INE516Q08489	2 years	8.55%	40 Cr	14-Oct-25 & 26-Dec-25	14-Oct-27	CRISIL AA-/Stable	Unsecured	NA
NA/INE516Q07473	2 years	9.10%	75 Cr	30-Mar-26	30-Mar-28	CRISIL AA-/Stable	Secured	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Book Debts"/"Hypothecated Assets") created pursuant to the deed of hypothecat

								ion executed between the Company and the Debenture Trustee. The Hypothecated Securities shall at all times be equal to 1.1 times of the outstanding amount of the Debentures.
NA/INE516Q08497	7 years	10.75%	100 Cr	26-May-26	26-May-33	CRISIL AA-/Stable & Care AA-Stable	Unsecured	NA
NA/INE516Q07481	2 years	9.10%1	150 Cr	02-Jun-26	02-Jun-28	CRISIL AA-/Stable	Secured	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Book Debts"/"Hypothecated Assets") created pursuant to the deed of hypothecation executed between the Company and the Debenture Trustee. The

								Hypothecated Securities shall at all times be equal to 1.1 times of the outstanding amount of the Debentures.

(v) List of Top 10 holders of non-convertible securities in terms of value as on last Quarter ended June 30, 2026 (in cumulative basis)

Sl. No	Name of NCD holder	Category of NCD holder	Face value of NCD holding (Amount in Rs.)	NCD holding % as a percentage of total NCD outstanding of the issuer
1	MANAPPURAM FINANCE LIMITED	Other Bodies Corporate	100000	12.77
2	THE SOUTH INDIAN BANK LTD	Non Nationalised Banks	100000	8.51
3	THE SOUTH INDIAN BANK LTD	Non Nationalised Banks	10000000	8.17
4	A K CAPITAL FINANCE LIMITED	Other Bodies Corporate	100000	7.74
5	TRUST INVESTMENT ADVISORS PVT LTD	Other Bodies Corporate	100000	6.36
6	NORTHERN ARC INDIA IMPACT TRUST	Alternate Invst Funds - II	100000	4.26
7	THE KARNATAKA BANK LTD	Non Nationalised Banks	10000000	4.26
8	NORTHERN ARC CAPITAL LIMITED	Other Bodies Corporate	100000	3.03

9	A K STOCKMART PRIVATE LIMITED	Clearing Members	100000	2.77
10	THE KARNATAKA BANK LTD	Non Nationalised Banks	100000	2.13

(vi) List of top ten holders of Commercial Paper in terms of value (in cumulative basis) (as on last Quarter ended June 30, 2026)

Sl. No.	Name of Commercial Paper holder	Category of Commercial Paper holder	Face value of Commercial Paper holding	Commercial Paper holding as a percentage of total Commercial Paper outstanding of the issuer
1	BIHAR GRAMIN BANK	Non Nationalised Banks	5,00,000	66.66%
2	BANGIYA GRAMIN VIKASH BANK	Non Nationalised Banks	5,00,000	33.33%

(vii) Details of bank fund based facilities/rest of the borrowing (if any including hybrid debt like foreign currency convertible bonds, optionally convertible debentures /preference shares) from financial institutions or financial creditors (as on last Quarter ended June 30, 2026)

Name of Party (in case of facility)/ Name of Instrument	Type of facility / instrument	Amount Sanctioned/ Issued INR	Principal Amount Outstanding	Date of repayment/schedule	Credit Rating	Secured / Unsecured	Security
Nil							

W. The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing / debt securities have been taken / issued: (i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an optionor not:

The Company has not taken any borrowings or issued any debt securities for consideration other cash.

X. Where the issuer is a Non-Banking Finance Company or Housing Finance Company the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

Sl. No.	Particulars of disclosure	Details
1.	Details with regard to lending done out of the issue proceeds of earlier issuances of	Lending Policy – Provided below under 'Annexure VI'

	debt securities (whether public issue or private placement) by Issuer	Classification of Loans given to associate or entities related to Board, Key Managerial Personnel, Senior management, promoters, etc – Provided below under 'Table 1' Classification of loans into several maturity profile denomination, – Provided below under 'Table 1' Aggregated exposure to top 20 borrowers – Provided below under 'Table 1' Details of loans, overdue and classified as Non-performing assets (NPA) – Provided below under 'Table 1'
2.	Details of borrowings granted by Issuer	Portfolio Summary of borrowings made by Issuer, Quantum and percentage of Secured vs. Unsecured borrowings – Provided below under 'Table 1'
3.	Details of change in shareholding	Any change in promoters shareholding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India – Provided below under 'Table 1'
4.	Disclosure of Assets under management	Segment wise break up and Type of loans – Provided below under 'Table 1'
5.	Details of borrowers	Geographical location wise – Provided below under 'Table 1'
6.	Details of Gross NPA	Segment wise – Provided below under 'Table 1'
7.	Details of Assets and Liabilities	Residual maturity profile wise into several bucket – Provided below under 'Table 1'
8.	Additional details of loans made by Issuer where it is a Housing Finance Company	NA
9	Disclosure of latest ALM statements to stock exchange	Refer point "I" under "Table 1"

Table-1

A. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securitiesin last three years, including details regarding the following

(a) Lending Policy: Should contain overview of origination, risk management, monitoring and collections:

Please refer to the lending policy set out in **Annexure VI**.

(b) Classification of Loans/advances given to associate or entities/person related to Board, Senior management, promoters, others, etc.:

Nil

(c) Classification of loans/advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers,maturity profile etc.:

Please refer to paragraph (J) of this table below.

(d) Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;

Sr. No.	Name of the Borrower	Total Sanctioned Loan Amount (Lakhs)	Amount Outstanding - Including Interest Accrued but not paid (Lakhs)
1	RAJASHRI BEHERA	57.03	58.02
2	JULAKANTI SANDHYA RANI	56.82	57.48
3	PRASHANTH V	54.48	55.25
4	TAPAN KOTHARI	50.85	53.3
5	MUDDHAPURAM DILIP KUMAR GOUD	51.42	51.5
6	SURAJ CHANDRAKANT BABAR	44.91	44.98
7	MAHESH	44.52	44.94
8	DEVESH KAILASH VARMA	42.27	42.36
9	ANANDA V	41.35	41.8
10	RAMGOPAL	40.66	40.79
11	ASHOK KUMAR V K	38.71	40.73
12	SANAPALA VIDYASAGAR	35.49	35.85
13	SACHIN NARAYAN BHORE	34.01	34.69
14	RINA MANDAL	33.57	33.73
15	KOTTAM PRADEEP	33.01	33.05
16	PANKAJ SINGH THAKUR	32.48	32.8
17	DILBAG SINGH	32.05	32.41
18	SUBHANKAR BASAK	31.71	32.28
19	MANAS DUARI	31.7	31.87
20	HARSHIT JAT	31	31.36

Concentration of Advances:	
Total Advances to twenty largest borrowers (Amount in Rs. Lakhs)	**818.04**
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	**0.13%**

Concentration of Exposures:	
Total Exposures to twenty largest borrowers (Amount in Rs. Lakhs)	**829.19**
Percentage of Exposures to twenty largest borrowers / customers to the Total Exposure of the NBFC on borrowers/customers	**0.13%**

(e) Details of loans, overdue and classified as non-performing assets (NPA) in accordance with RBI stipulations:

Please refer to paragraph (K) of this table below

B. Details of borrowings made by NBFC

(a) A portfolio summary with regard to industries/ sectors to which borrowings have been made:

Please refer to paragraph (J) in this table below including sub-paragraph (c) therein.

(b) NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer:

Please refer to paragraph (K) of this table below.

(c) Quantum and percentage of secured vis-à-vis unsecured borrowings made; and

Secured and Unsecured Borrowings 30-Jun-2026	**Amount (Lakhs)**
Debt Securities :	59,664.37
Borrowings (other than debt securities)	482,850.16
Subordinated liabilities :	63,835.56
Total :	**606,350.09**
Secured Borrowing	480,958.01
Unsecured Borrowing:	125392.08
Secured Borrowing % (percentage) :	79.32%
Unsecured Borrowing % (percentage	20.68%

C. Details of change in shareholding

(a) **Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI:**

Nil

D. Disclosure of Assets Under Management

(a) Segment wise breakup:

Please refer to sub-paragraph (c) of paragraph (J) in this table below.

(b) Type of Loans

Please refer to sub-paragraph (a) of paragraph (J) in this table below.

E. Details of borrowers

(a) Geographical location wise

Please refer to sub-paragraph (e) of paragraph (J) in this table below.

F. Details of Gross NPA

(a) Segment wise:

Please refer to sub-paragraph (c) of paragraph (K) in this table below.

G. Details of Assets and Liabilities

(a) Residual maturity profile wise into several bucket:

Please refer to paragraph (L) in this table below.

H. Additional details of loans made by housing finance company

As the Issuer is not a housing finance company, this is not applicable

I. Disclosure of latest ALM statements to stock exchange

https://asirvadmicrofinance.co.in/wp-content/uploads/2023/07/ALM_June%202023%20(3).pdf

J. Classification of loans according to:

(a) Details of types of loans

Dails of types of loans

(Disclosure of Asset under Management-Segment wise breakup and type of loans

Sl. No.	Types of loans	Rs. Crore (as on 31 Mar 2026)
1	Unsecured	4639.00
2	Secured	2188.96
	Total Assets under Management(AUM)*^	**6,827.96**

**Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^Issuer is also required to disclose off balance sheet items;*

Segment	Rs. Crore (as on 31 Mar 2026)
MFI	4,635.54
Gold Loan	2,173.89
MSME & SME	18.53
Total AUM	**6,827.96**

(b) Denomination of loans outstanding by loan-to-value:

Details of LTV March 31, 2026

Sl.No.	LTV (at the time of origination)	Percentage of AUM 31st March 2026
1	Up to 40%	3.15%
2	40-50%	6.76%
3	50-60%	14.23%
4	60-70%	7.54%
5	70-80%	68.32%
6	80-90%	0.00%

	7	>90%	0.00%
		Total	**100.00%**

(c) Sectoral Exposure

Details of sectoral exposure:

Sl. No.	Segment-wise gross NPA	Gross NPA%
1	**Retail**	
A	Mortgages (home loans and loans against property)	0.00%
B	Gold loans	31.84%
C	Vehicle finance	0.00%
D	MFI	67.89%
E	MSME	0.27%
F	Capital market funding (loans against shares, margin funding)	0.00%
G	Others	0.00%
2	**Wholesale**	
A	Infrastructure	0.00%
B	Real estate (including builder loans)	0.00%
C	Promoter funding	0.00%
D	Any other sector (as applicable)	0.00%
E	Others	0.00%
	Total	**100%**

(d) Denomination of loans outstanding by ticket size*

Details of outstanding loans category wise March 2026

Sl.No.	Ticket Size (at the time of origination)	Percentage of AUM
1	Up to Rs. 2 lakh	85.75%
2	Rs. 2 - 5 lakh	8.64%
3	Rs. 5 - 10 lakh	3.29%
4	Rs. 10 - 25 lakh	2.31%
5	Rs.25 - 50 lakh	0.02%
6	Rs. 50 lakh - 1 crore	0%
7	Rs. 1-5 crore	0%
8	Rs. 5 - 25 crore	0%
9	Rs. 25 - 100 crore	0%
10	>Rs. 100 crores	0%
	Total	100%

** Information required at the borrower level (and not by loan account as a customermay have multiple loan accounts);*

(e) Geographical classification of borrowers

Top 5 states borrower wise:

Sl.No.	Top 5 States	% of AUM
1	West Bengal	12.94%
2	Bihar	12.32%
3	Uttar Pradesh	9.93%
4	Odisha	7.21%
5	Assam	6.74%
	Total	**49.15%**

(f) Maturity Profile

Segment	Tenure (Maturity)
MFI	Up to 36 Months
Gold Loan	Up to 1 Year
MSME & SME	Up to 7 Years

K. Details of loans, overdue and classified as non-performing assets (NPA) in accordance with RBI stipulations

(a) Movement of Gross NPA and Net NPA (Amount in Rs. Crores)

Movement of Gross NPA - March 31, 2026

*Gross NPA Recognition Policy - Please refer classification of Special Mention Account (SMA) and Non-Performing Assets under *ANNEXURE VI*

Movement of NPAs (Gross) *	Mar-24	Mar-25	Mar-26
(a) Opening balance	251.90	403.15	655.13
(b) Additions during the year	641.44	1,774.69	1344.56
(c) Reductions during the year	490.19	1,522.71	1689.555
(d) Closing balance	403.15	655.13	310.14

Movement of Net NPAs	Mar-24	Mar-25	Mar-26
(a) Opening balance	101.11	180.46	176.67
(b) Additions during the year	222.57	255.53	430.28
(c) Reductions during the year	143.22	259.32	507.78
(d) Closing balance	180.46	176.67	99.16

(c) Movement of provisions forNPA (Amount in Rs. Crores)

Movement of provisions for NPA March 31, 2026

Movement of Provisions for NPA	Mar-24	Mar-25	Mar-26
a) Opening balance	150.79	222.70	478.46
b) Provisions made during the year	418.87	1519.16	914.28
c) Write-off/ write-back during the year	346.97	1263.39	1181.77
d) Closing balance	222.70	478.46	210.97

(c) Segment-wise gross NPA

Segment wise gross NPA March 31, 2026

Sl. No.	Segment-wise gross NPA	Gross NPA%
1	**Retail**	
A	Mortgages (home loans and loans against property)	0.00%
B	Gold loans	0.59%
C	Vehicle finance	0.00%
D	MFI	6.76%
E	MSME	24.74%
F	Capital market funding (loans against shares, margin funding)	0.00%
G	Others	0.00%
2	**Wholesale**	
A	Infrastructure	0.00%
B	Real estate (including builder loans)	0.00%
C	Promoter funding	0.00%
D	Any other sector (as applicable)	0.00%
E	Others	0.00%
	Total	**4.85%**

L. Residual maturity profile of assets and liabilities (in line with the RBI format)

Residual maturity profile of assets and liabilities (Amount in Rs. Crores)

Category	Up to 30/31 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
advances	349.08	413.79	447.87	1,054.74	2,654.63	1,607.13	1.48	0.04	6,528.77
Investments	211.35	-	-	-	-	3.33	-	406.78	621.45
Borrowings	385.39	214.96	418.87	851.09	1,421.29	2,571.90	100.00	100.00	6,063.50
Foreign Currency Assets (FCA)	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities(FCL)	-	-	-	-	-	-	-	-	-

Y. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial papers (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the Company, in the past 3 years including the current financial year:

Nil

Z. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting inmaterial liabilities, corporate restructuring event etc.) at the time of issue which may affect the Issue or the investor's decision to invest / continue to invest in the Non-convertible securities /Commercial Paper:

Subject to the risk factors mentioned in this General Information Document under Section II titled 'Risk factors' and circumstances/situations that may arise there from, in our opinion, there are no other material event/ development or change having implications on the financials/credit quality, which may affect the Issue or the investor's decision to invest / continue to invest in the non- convertible securities.

AA. Any litigation or legal action pending or taken by a Government Department or a statutory body or a regulatory body during the last three years immediately preceding the year of the issue of issue document against the promoter of the company:

Manappuram Finance Limited -Promoter

1. **Actions taken by Regulatory and Statutory Authorities- RBI**

- Our RBI had issued a Show Cause Notice (SCN), vide letter CO. ENFD.DENBFC.No. S820/02-14-006/2022-23 dated January 27, 2023, based on the financial position as on March 31, 2021 for

which the inspection was conducted by RBI between March 02 and March 18, 2022. In continuation to the same, RBI has, by an Order dated June 12, 2023 received on June 16, 2023, imposed a monetary penalty of ₹20.00 lakh (Rupees Twenty lakh only) for the non-compliance of provisions of the "Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016". The non-compliance with the aforesaid directions to the extent (i) it did not classify certain gold loan accounts with overdue of more than 90 days as Non-Performing Assets (NPAs), and (ii) it did not ensure maintenance of the mandated Loan-to-Value (LTV) ratio in certain gold loan accounts during FY 2020-21. The Promoter has paid the amount of penalty as stipulated on July 01, 2023.

- With regards to countersigning of the KYC Documents, non-collection of the PAN documents and KYC wallets not redacted, the RBI had issued a show cause notice, vide letter CO.DPSS.OVRST.No.S260/06-07-004/2023-2024 dated June 07, 2023, calling upon the Promoter to explain in writing why a penalty of Rs. 78,00,000 (Rupees Seventy-Eight Lakh only) should not be imposed upon the Promoter under Section 30 of the PSS Act. The Promoter's response was submitted within the stipulated time via the letter No. VPC/RBI/16/2023-24 dated June 21, 2023. The representatives from the Promoter Company attended the personal hearing on December 20, 2023. Considering the submission of the Promoter that the PPIs have an aggregate balance of Rs.46 lakhs only, the Committee decided to take a lenient view while deciding the quantum of the penalty amount. Accordingly, on concluding that the contraventions mentioned have been established, a penalty of Rs. 41,50,000/- was imposed on the Promoter.

- Our Promoter received a show cause notice dated July 17, 2023, from RBI, that the promoter did not pay the auction surplus amounts to ₹ 10.79 Cr which pertains to 56,854 borrowers whose gold ornaments were auctioned during the period between April 01 2021 and September 30, 2022. Out of the above, 42780 gold loan accounts which were opened/ repledged after the date of issuance of Speaking Order dt. November 19, 2020, auction surplus is pending to refund where the time period to refund the surplus is 43 days from the date of completion of auction and for the auction conducted during the April 01,2021 and September 30,2022, ₹8.46 Cr was pending to be repaid to the borrowers as on September 30,2022. The Reserve Bank of India imposed a monetary penalty of ₹4.278 million and the said penalty has been paid by the promoter on November 29, 2023. and as on date, our Promoter has not received any further correspondence from RBI.

- RBI issued a Show Cause Notice No. CO.ENFD.DENBFC.NoS872/02-14-006/2023-24 dated March 18, 2024 on the basis of the offsite inspections conducted by the RBI during August 2023 for alleged contraventions under Section 45JA, 45L,45M, 58B (5) (aa) and 58G of the Reserve Bank of India Act, 1934 to the extent that (i) the Promoter did not verify few permanent account numbers (PAN) from the verification facility of the issuing authority and (ii) allotted multiple Unique Identification Codes (UCIC) to few customers . The RBI, in the aforementioned show cause notice, asked the Promoter to justify why a monetary penalty of Rs. 20 Lakhs should not be imposed. The Promoter submitted its response on April 06, 2024, requesting permission for a personal hearing before the RBI. The RBI had sought additional information and documents via email dated April 22, 2024 in relation to the Promoter's response dated April 06, 2024 and the Promoter submitted the reply on May 06, 2024 and May 07, 2024. The Promoter was also granted an opportunity of being heard by way of Personal Hearing held on November 19, 2024 before the Adjudication Committee of Executive Directors. However, the Promoter was asked to pay the penalty of Rs. 20.00 Lakhs which was then paid on January 06, 2025.

- Our Promoter received a show cause notice dated February 28, 2025 from RBI for the violation involved in Master Direction- Money transfer service scheme as a MTSS Service provider that in 4268 MTSS transactions the beneficiary was mentioned as Friend and the beneficiaries had received the payment more than 30 times in a calendar year. The Promoter has submitted its response against the aforesaid show cause notice on March 25, 2025 and attended the personal hearing held on April 04, 2025. The Promoter has received the cautionary advice from RBI by informing that a lenient view has been taken and the aforesaid show cause notice stands withdrawn on May 26, 2025. The promoter has not imposed any penalty in this matter and as on date, our Promoter has not received any further correspondence from RBI.

- The Promoter received a Show Cause Notice from RBI on June 04, 2025 under Section 26 and 30 of Payment and Settlement Systems Act, 2007 for non compliance with RBI observations during inspection conducted for the period of operations from April 01, 2023 to September 30, 2024. The Promoter had in 1052 cases out of total of 1576 cases of failed bank transfers, refunded/ reversed the said transaction ranging from 2 to 222 days from the transaction date i.e. beyond T+1 calendar day (as bank transfers were effected through IMPS and the Promoter also did not pay any compensation to the customers for transactions reversed beyond the timeline of T+1 day. The Promoter submitted its response to the SCN on June 23, 2025. The RBI issued a closure letter on August 19, 2025 where it decided not to enforce penalty on the Promoter.

- Our Promoter received a Show Cause Notice Letter No. KOC/FED.FEDOP/S399/55.57.002/2025-26 dated September 10, 2025 from the RBI for non-compliance with the provisions of FEMA to the extent that the Promoter had not submitted the FLM-8 return for the month of July, 2025 by August 10, 2025 through the AP Connect Application thereby contravening the Paragraph 16(i) under Section V of Master Direction on Money Changing Activities dated January 01, 2016 wherein AD Category -II Non-Banks are required to submit through AP Connect Application, a monthly consolidated statement in respect of sale and purchase of foreign currency notes in form FLM-8 which needs to be filed not later than 10th of the succeeding month along with Paragraph 4 with respect to parallel submission of the Form FLM-8 via email or physical submission of the Form. The Promoter submitted its response on September 15, 2025, and awaits its reply from FED Kochi.

- Our Promoter received a show cause notice dated January 19, 2026, from the RBI, stating that the Promoter was found to have been in violation of certain provisions of the Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. The Promoter responded to the said show-cause notice on February 04, 2026. A Personal Hearing was scheduled on February 25, 2026. Upon considering the submissions made by the Promoter, the RBI imposed a penalty of Rs. 2,70,000 (Rupees Two Lakh Seventy Thousand Only) and it was paid on March 21, 2026.

- Our Promoter received a show cause notice from the RBI dated March 13, 2026, stating there were violation of: (i) para 11.4.1 and 11.4.4 of the Master Directions on Prepaid Payment Instruments dated August 27, 2021 (“PPI Master Direction”); and (ii) chapter VI (Part I – Customer Due Diligence Procedure in case of individuals) Master Direction on Know Your Customer dated February 25, 2016 read along with the PPI Master Direction. The observations were related to non-provision of interoperability through UPI to holders of fully KYC PPI

wallet holders and non-conduct of offline Aadhar verification in certain cases where Aadhar was collected as proof of possession impacting certain full-KYC wallets. The Promoter submitted its response on April 05, 2026. On May 13, 2026, the Promoter received the intimation of closure of case without enforcement action.

2. Actions taken by Regulatory and Statutory Authorities- disciplinary action taken, including penalty imposed by SEBI

- Our Promoter had received an email dated October 31, 2022, from BSE imposing a fine of INR 66,000 for the non-compliance of Regulation 57(1) of the SEBI LODR Regulations for the month of September 2022. The Company vide its letter dated November 2, 2022 had requested for a waiver of the aforesaid fine and the same is still under consideration by BSE.

- Our Promoter had received an email dated November 16, 2022, from BSE imposing a fine of INR 98,000 for the non-compliance of Regulation 57(1) of the SEBI LODR Regulations for the month of September 2022. The Company vide its letter dated November 17, 2022 had requested for a waiver of the aforesaid fine and the same is still under consideration by BSE.

- Our Promoter had received an email dated December 30, 2022, from BSE imposing a fine of INR 80,000 for the non-compliance of Regulation 57(1) of the SEBI LODR Regulations for the month of November 2022. The Company vide its letter dated January 16, 2023 had requested for a waiver of the aforesaid fine and the same is still under consideration by BSE.

- Our Promoter had received an email dated September 27, 2022 from BSE imposing a fine of INR 1,34,000 for non-compliance of Regulations 52(7) and 52(7A) of SEBI LODR Regulations for March 2022. The Company vide its letter dated October 10, 2022 had requested BSE to set-off the aforesaid fine and the same is still under consideration by BSE.

- Our Promoter had received an email dated January 30, 2023 from BSE imposing a fine of INR 62,000 for non-compliance of Regulation 57(1) of SEBI LODR Regulations for the month of December 2022. The Company vide its letter dated January 31, 2023 had requested BSE to recall the aforesaid notice imposing the aforesaid fine and the same is still under consideration by BSE.

- Our Promoter had received an email dated August 16, 2023 from BSE imposing a fine of INR 29,000 for non-compliance of Regulation 57(1) of SEBI LODR Regulations for the Quarter ended June 2023. The Company vide its email dated August 22, 2023 had requested BSE to set-off the aforesaid fine with the fine already paid by the Company on January 31, 2023 for violation of Regulation 60(2) of the SEBI LODR Regulations, which was subsequently waived off by BSE, the request for such set-off is still under consideration by BSE.

- Our Promoter received an intimation from BSE vide email dated September 28, 2022 regarding the levy of a fine of ₹1,06,200 (Rupees One Lakh Six Thousand Two Hundred only), including GST, for delayed submission of record date intimation under Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company paid the said fine on January 31, 2023 vide UTR No.

NEFT/AXISCN0203909878/MANAPPURAM34772728/Bombay S. Subsequently, BSE, vide its communication dated April 11, 2023, informed the Company that the aforesaid penalty had been waived..

- Our Promoter received an intimation from BSE vide email dated August 16, 2023 regarding the levy of a fine of ₹34,220 (Rupees Thirty-Four Thousand Two Hundred and Twenty only) for non-submission of information relating to payment obligations under Regulation 57(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the month ended June 2023 in respect of ISIN INE522D14NV1. Subsequently, the Company requested BSE to adjust the said fine against the amount already paid towards the penalty levied under Regulation 60(2), which was later waived by BSE.

- Our Promoter had received letters dated October 21, 2024 from both BSE and NSE imposing a fine of INR 1,32,000 each for non-compliance of Regulation 34 of SEBI LODR Regulations (i.e., non-submission of the Annual Report within the prescribed period) for the year ended March 2024. The Company has paid the fine imposed.

3. Tax litigation involving our Promoter-MAFIL

- Income Tax Assessment Year 2015-16 (Financial year 2014-15)

  The Promoter filed an Appeal against the Assessment Order disallowing the write-off of Rs. 903.7 million, which had been taxed erroneously in AY 2014-15. The Appeal filed before the Commissioner of Income Tax (Appeals) (CIT(A)) was dismissed vide Order dated December 29, 2023. Subsequently, a second Appeal was filed before the Income Tax Appellate Tribunal (ITAT) on February 28, 2024. The ITAT, vide Order dated May 27, 2025, decided the matter in favour of the Promoter by admitting the issues raised through additional grounds before the CIT(Appeals) and restoring the same to the Assessing Officer (AO) for factual verification. Pursuant thereto, a Notice under Section 142(1) of the Income Tax Act, 1961 dated November 11, 2025 was issued by the AO seeking details and supporting documents for factual verification, and the requisite submissions were duly furnished by the Promoter.

- Income Tax Assessment Year 2016-17 (Financial year 2015-16)

  The Promoter received an assessment order dated March 25, 2022 under Section 143(3) read with Section 263 of the IT Act demanding an amount ₹106.50 million alleging (tax liability being ₹36.9 million), taxing of profit on sale of mutual fund (listed securities) to be treated as current asset instead of capital asset as claimed for Assessment Year 2016-17. The Promoter has filed an Appeal dated August 30, 2022, against the Assessment Order before the CIT (Appeals). The Appeal was decided against the Promoter. Rectification request filed against the Order of CIT(A) on 03-06-2025. An Appeal against Order passed by the CIT (Appeals) has been filed before ITAT, Cochin on July 18,2025.

- Kerala Value Added Tax Act (Financial Year 2011-12)

  The Promoter received an Order from the Assistant Commissioner reopening the previously completed assessment (vide order dated March 15, 2019 and subsequently modified vide Order dated August 24, 2019 to reassess the gold coin purchased by exchanging scrap gold. The amount involved is Rs.41.8 million, with a tax demand of Rs.1.3 million. The reassessment was time-barred. Appeal filed against the Order dated January 21, 2021

(received on February 6, 2021) before the Deputy Commissioner (Appeals)/Joint Commissioner (Appeals) was decided against the Promoter. Further appeal filed before the KVAT Appellate Tribunal on February 28, 2024.

- Kerala Value Added Tax Act (Financial Year 2012-13)

  The Promoter received an assessment cum demand order from the Intelligence Officer under the Kerala Value Added Tax Act, 2003, raising a demand of ₹7.6 million (₹3.8 million tax and ₹3.8 million penalty) due to mismatch in bill number, date, and amount as per the purchasers' VAT Returns. The promoter obtained a stay from the Hon'ble High Court against the demand, which was contested by the Department by filing a counter affidavit. The appeal filed before the Joint Commissioner (Appeals) was rejected by order dated November 26, 2022, received on December 30, 2023. An appeal was filed before the KVAT Appellate Tribunal, Ernakulam, and a stay was granted on May 30, 2024, against the tax collection. The appeal is currently pending for decision.

  Additionally, Appeal No. 1098/17 was rejected by the Joint Commissioner, confirming the ₹7.6 million demand. Against this, an appeal was filed before the Appellate Tribunal on February 28, 2024. Based on the rejection, the Assistant Commissioner reopened the assessment for enhancing the original assessment. The promoter filed Writ Petition No. 13971/2024 before the Hon'ble High Court on March 25, 2024, challenging the time-barred reassessment by reopening. If the writ petition is dismissed, an appeal has to be filed before the Commissioner (Appeals). Total demand including the tax on reopening is 43.79 million.

- Kerala Value Added Tax Act (Financial Year 2014-15)

  The Promoter received an Order dated October 30, 2017, pursuant to a Regular Assessment, raising a demand of Rs.34.4 million on account of taxation of stationery manufactured at the printing press and other related issues. A Stay was granted by the Hon'ble High Court against the demand; however, the Department filed a counter affidavit opposing the stay. The Appeal filed before the Joint Commissioner, State Tax, Thrissur was heard, and an Order dated December 29, 2022, was received on June 7, 2024, reducing the tax demand to Rs. 6.48 million. Appeal and stay petition filed on August 2, 2024.

Mr. V P Nanadakumar -Promoter

Actions taken by Regulatory and Statutory Authorities

1. Our Individual Promoter, Vazhappully Padmanabhan Nandakumar, in his capacity as director of Lions Association, has received five show cause notices each dated September 8, 2023, from officers of various registrar of companies, in the matter of M/s Lions Co-ordination Committee of India Association ("Lions Association"), in relation to alleged non-compliance of Sections 129, 134(3)(b) and 134(3)(h) of the Companies Act. The Regional Director (Southern Region) has issued three orders each dated January 25, 2024, pursuant to which the non-compliances under Section 129 of the Companies Act have been compounded and a compounding fee of Rs. 0.20 million has been imposed on our Individual Promoter. Further, the Registrar of Companies, Tamil Nadu at Chennai has issued two order dated each February 8, 2024, pursuant to which an aggregate penalty of Rs. 0.20 million has been imposed on our Individual Promoter for violation of Section 134(3)(b) and 134(3)(h) of the Companies Act.

2. The Labour Inspector, Gwalior had inspected our branch at Morar, Gwalior pursuant to which had issued a notice dated December 1, 2018 under Section 44 of the Madhya Pradesh Shops and Establishments Act, 1958 ("Act") alleging that the registers are not being maintained at the branch as required under the Act. The Labour Department, Gwalior has filed a case before the Chief Judicial Magistrate, Gwalior against our Director, Vazhappully Padmanabhan Nandakumar. This matter is currently pending.

Tax Litigation

Mr. V. P. Nandakumar filed an appeal against an income tax demand of Rs. 1.87 crore, raised for the Assessment Year 2013-14 on account of treating bonus shares received from MABEN Nidhi Ltd. as taxable dividends under Section 2(22) of the Income Tax Act. He contends that the shares were issued as a statutory capitalization of reserves, not as a distribution of profit, and thus not taxable. A partial deposit of Rs. 28,08,300/- was made against the demand. The appeal, filed in April 2016, remains pending without adjudication by the Appellate Authority.

BB. Details of default and non-payment of statutory dues for the preceding three financial years and the current financial year

As on the date of this General Information Document, there have been no default and non-payment of undisputed statutory dues for the three preceding financial year and current financial year.

CC. Details of pending litigation involving the Issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares.

There are no pending litigation involving the Issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares However, reference is invited to Contingent Liabilities under Note 41 of Financial Statements for the year ended March 31, 2026 in Section IV (P) of this GID.

DD. Details of acts of material frauds committed against the Issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the Issuer.

(a) For the Quarter ended on June 30, 2026

Category	More than Rs. 1 Lakh		Less than Rs. 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	56	196.56	400	100.76
- By Others	0	0	0	0
Total	**56**	**196.56**	**400**	**100.76**

(b) For the year ended FY 2025-26

Category	More than Rs. 1 Lakh	Less than Rs. 1 Lakh

	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	377	1416.21	1146	338.71
- By Others	0	0	0	0
Total	**377**	**1416.21**	**1146**	**338.71**

(c) For the year ended FY 2024-25

Category	More than Rs. 1 Lakh		Less than Rs. 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	373	1,487.25	117	52.39
- By Others	1	1.14	10	3.72
Total	**374**	**1,488.39**	**127**	**56.11**

(d) For the year ended FY 2023-24

Category	More than Rs. 1 Lakh		Less than Rs. 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	129	2,013.47	-	-
- By Others	2	2.24	22	11.08
Total	**131**	**2,015.71**	**22**	**11.08**

Action Taken against frauds: In cases where employees are involved in fraudulent activities, appropriate legal action is initiated, including the filing of police complaints and registration of FIRs. Further, in line with the Company's HR policies, such employees are terminated from service following a due enquiry process.

For all other types of fraud, including incidents such as burglary, the Company has established robust security and vigilance systems, supported by continuous monitoring mechanisms, to proactively prevent and promptly respond to such occurrences.

EE. Details of pending proceedings initiated against the Issuer for economic offences, if any.

Nil

FF. Related party transactions entered during the last 3 (three) financial years and current financial year with regard to loans made or, guarantees given or securities provided.

As set out in **Annexure II** of the General Information Document

GG. Consent of directors, auditors, bankers to the issue, solicitors or advocates to the Issue, legal advisors to the Issue, lead managers to the Issue, Registrar to the Issue and lenders (if required as per the terms of the agreement) and experts.

PARTICULARS	REFERENCING
Directors	Consent letter from the directors has been obtained for inclusion of their name in the GID. Please refer to Annexure IX of this General Information Document.
Auditors	Consent letter from the statutory auditor has been obtained for inclusion of their name in the GID. Please refer to Annexure X of this General Information Document.
Bankers to the Issue	Not Applicable
Solicitors/Advocates	Not Applicable
Legal advisors of the Issue	As provided under the relevant Key Information Document.
Lead Manager	Not Applicable
Registrar of the Issue	Consent letter from the registrar and transfer agent has been obtained for inclusion of their name in the GID. Please refer to the relevant Key Information Document.
Experts	Not Applicable
Lenders	Not Applicable

HH. The names of the debenture trustees(s), shall be mentioned with a statement to the effect that the debenture trustee has consented to its appointment along with a copy of the agreement executed by the debenture trustee with the issuer in accordance with regulation 13 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 made accessible through a web-link or a static quick response code displayed in this General Information Documents:

Provided that in case the Issuer files a general information document or shelf prospectus, the Issuer may disclose a copy of the letter obtained from the debenture trustee consenting to its appointment instead of the agreement.

Explanation: In case the Issuer files a key information document or tranche prospectus in accordance with these regulations, the Issuer shall disclose a copy of the agreement stated above.

As provided under the relevant Key Information Document

II. Details of credit rating, along with the latest

press release of the Credit Rating Agency in relation to the issue and declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue.

The Bonds and Commercial Papers proposed to be issued by the Issuer shall be rated by minimum number of rating agencies as required by the applicable SEBI regulations, which shall be disclosed in the Key Information Document from time to time for each Series / Tranche of Bonds and Commercial Papers. The ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency(ies) have a right to suspend or withdraw the rating at any time based on factors such as new information.

The ratings are not a recommendation to buy, sell or hold securities and investors should take their

own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point in time in future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

JJ. If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not containdetailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in this General Information Document.

Not Applicable.

KK. Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention:

(i) **The day count convention for dates on which the payments in relation to the non-convertiblesecurities which need to be made, should be disclosed**:

If any Coupon Payment Date falls on a day which is not a working day, payment of Coupon shallbe made on the next working day. If the Redemption date falls on a day which is not a working day, payment of redemption amount shall be made on the previous working day. Payment of Coupon/principal shall be made in accordance with the Listed NCDs Operational Circular, as amended from time to time.

(ii) **Procedure and time schedule for allotment and issue of securities should be disclosed**:

As provided under the relevant Key Information Document.

(iii) **Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration**:

As provided under the relevant Key Information Document.

LL. Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board:

Name of the stock exchange (Stock Exchange) where the non-convertible securities are proposed to be listed. If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board.	The Bonds and Commercial Papers are proposed to be listed on thewholesale debt market (WDM) segment of the BSE Limited. BSE Limited shall be the designated Stock Exchangein accordance with SEBI, ILNCS Regulations, 2021. The Issuer shall comply with the requirements of the Listing Agreement for debt securities to the extent applicable to it on a continuous basis. The Bonds and Commercial Papers are not proposed to be listed on more than one stock exchange. The recovery expense fund has been created with BSE Limited.

Details of in-principle approval obtained from BSE	The Issuer has applied for the in-principle approval with BSE. The in-principle approval letter shall be annexed in the Key Information Document.
Details of recovery expense fund	Please refer to the heading "Creation of recovery expense fund" under Section V (*Issue Details*) of this General Information Document.
Listing of the Debentures	On or before T+3; (*T implies bidding date)* In case of delay in listing of securities issued onprivately placement basis beyond the timelines specified above, the Issuer shall pay penal interest of 1% p.a. over the coupon/ dividend rate for the period of delay to the investor (i.e. from the Deemed Date of Allotment to the date of listing).

MM. Disclosures pertaining to wilful default

(i) **Name of the Bank declaring the entity as a wilful defaulter:** Not applicable

(ii) **The year in which the entity is declared as a wilful defaulter:** Not applicable

(iii) **Outstanding amount when the entity is declared as a wilful defaulter:** Not applicable

(iv) **Name of the entity declared as a wilful defaulter:** Not applicable

(v) **Steps taken, if any, for the removal from the list of wilful defaulters:** Not applicable.

(vi) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions:** None.

(vii) **Any other disclosure as specified by the Board of Directors**: None.

NN. Other Details

(i) Creation of Debenture Redemption Reserve – relevant legislations and applicability:

It is hereby clarified that pursuant to the Companies (Share Capital and Debenture Rules), 2014, non- banking financial companies registered with the RBI are exempted from the requirement to maintain adebenture redemption reserve in case of privately placed debentures. As the Company is a non-banking financial company registered with the RBI, it is exempted from the requirement to maintain a debenture redemption reserve.

The Company shall, if applicable, create a debenture redemption reserve for the purpose of redemptionof the Debentures, as and to the extent required under Applicable Law, and within 30 (thirty) days fromthe end of each Financial Year, deliver to the Debenture Trustee a certificate from an independent chartered accountant certifying that the Company has transferred suitable amounts to the debenture redemption reserve and the debenture reserve fund, in accordance with Applicable Law.

(ii) Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of Indiaguidelines etc.):

The Issue of Bonds and Commercial Papers shall be in conformity with the applicable provisions of the Companies Act, including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, and the other relevant guidelines and directions issued by the RBI and SEBI.

(iii) Default in payment:

In case of default (including delay) in payment of Coupon and/or principal redemption on the

due dates, additional interest/ default interest of at least 2% (two percent) per annum or such other rate as may be prescribed under the Applicable Law over and above the applicable implicit yield / Coupon Rate will be payable by the Company for the defaulting period in respect of such Tranche /Series of the Bonds and Commercial Papers.

(iv) Delay in listing:

In the event there is any delay in listing of the Bonds and Commercial Papers beyond the stipulated listing period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Coupon Rate, from the deemed date of allotment of the Bonds and Commercial Papers until the listing of the Bonds and Commercial Papers is completed.

(v) Delay in allotment of securities:

(a) The Issuer shall ensure that the Bonds and Commercial Papers are allotted to the respective Debenture Holders within the timelines prescribed under applicable SEBI regulations and guidelines in this regard.

(b) If the Issuer fails to allot the Bonds and Commercial Papers to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").

(c) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) perannum from the expiry of the Allotment Period.

(vi) Issue details:

Please refer to the relevant Key Information Document.

(vii) Application process:

The application process for the Issue is as provided in the relevant Key Information Document.

(viii) Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any:

All disclosures under Form No. PAS-4 of Companies (Prospectus and Allotment of Securities), Rules,2014 will be prescribed in the relevant Key Information Document for each Tranche/Series. Please also refer to Annexure IV of this General Information Document.

(ix) Project details: gestation period of the project; extent of progress made in the project; deadlinesfor completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:

Not applicable.

OO. Additional disclosures and reports

(a) If the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or is to be applied directly or indirectly:

(i) in the purchase of any business; or

(ii) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith,

the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in this General Information Document) upon –

A. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of this General Information Document; and

B. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of this General Information Document:

Not applicable.

(b) In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:

(i) the names, addresses, descriptions and occupations of the vendors;

(ii) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;

(iii) the nature of the title or interest in such property proposed to be acquired by the company; and

(iv) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:

Provided that the disclosures specified in sub-clauses (i) to (iv) above shall be provided for the top five vendors on the basis of value viz. sale consideration payable to the vendors.

Provided further that for the remaining vendors, such details may be provided on an aggregated basis in this General Information Document, specifying number of vendors from whom it is being acquired and the aggregate value being paid; and the detailed disclosures as specified in sub-clauses (i) to (iv) above may be provided by way of static QR code and web link. If the issuer provides the said details in the form of a static QR code and web link, the same shall be provided to the debenture trustee as well and kept available for inspection as specified in clause (g) of paragraph 3.3.41 of this Schedule. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing the detailed disclosures, as specified in sub-clauses (i) to (iv) above, to the debenture trustee and confirmation of the same by the debenture trustee

Nil

(c) If:

(i) the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and

(ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a

report shall be made by a Chartered Accountant (who shall be named in this General Information Document) upon –

A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of this General Information Document; and

B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

Nil

(d) The said report shall:

(i) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and

(ii) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (c) (ii) above.

Not applicable

(e) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default shall be disclosed.: Policy is disclosed in this document.

Lending Policy is disclosed as **Annexure VI** in this document.

(f) The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing this General Information Document with the Registrar of Companies, shall be disclosed.

Particulars	**Type of Securities**	**No. of Securities**
By Promoter Group - Number of securities purchased	Equity Shares on Rights issue basis	17,91,88,333
By Promoter Group - Number of securities sold	NA	Nil
By Directors - Number of securities purchased	NA	491,326
By Directors - Number of securities sold	NA	Nil
By Relatives - Number of securities purchased	NA	Nil
By Relatives - Number of securities sold	NA	Nil

(g) The matters relating to:

(i) Material contracts

Material contracts

The Issuer has executed/shall execute the contracts including but not limited to the following in connection with the Issue:
1) Debenture Trustee Agreement
2) Debenture Trust Deed
3) Tripartite Agreement between Issuer, Registrar and NSDL
4) Tripartite Agreement between Issuer, Registrar and CDSL

Material Documents
1) Credit Rating letter
2) Consent Letter from Debenture Trustee
4) In-principle approval from BSE for listing of debentures
5) Relevant resolution/s passed by the shareholders of the Company
6) Relevant resolution/s passed by the Board of the Company approving the Private Placement of debentures
7) Relevant resolution/s passed by relevant Committee of the Board of Directors
8) General Information Document, Key Information Document & Form PAS-4

(ii) Time and place at which the contracts together with documents will be available for inspection from the date of this General Information Document until the date of closing of subscription list.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Corporate Office of the Company between 10.00 am to 4.00 pm on working days.

(h) Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of this General Information Document.

Audited Financials	Note. No.	Page no.
Audited Financials of FY26	Note 36 of audited financials of FY26	Page no. 131 of Annual Report of FY26
Audited Financials of FY25	Note 36 of audited financials of FY25	Page no. 151 of Annual Report of FY25
Audited Financials of FY24	Note 36 of audited financials of FY24	Page no.157 of Annual Report of FY24

(i) The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of this General Information Document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.

S. No	Financial Year	Auditors Remark/Qualification	Impact on Financial Statements and Financial Position	Corrective Steps Taken or Proposed
1	2023-24	Nil	NA	NA
2	2024-25	Nil	NA	NA

3	2025-26	Nil	NA	NA

(j) The details of:

- **any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law;**
- **prosecutions filed, if any (whether pending or not); and**
- **fines imposed or offences compounded,**

in the three years immediately preceding the year of issue of this General Information Document in the case of the issuer being a company and all of its subsidiaries.

No prosecution initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law.

Details of Fines imposed:

Name of Stock Exchange	Relevant Regulation	Fine Amount/Basis of Calculation (In Rs.)	Date of Notice
BSE Limited	Regulation 60(2)	11,800 (10,000 per day plus GST)	September 28, 2022
BSE Limited	*Regulation 57(1)	3,540 (1000 per day plus GST)	September 28, 2022

*Waiver for Regulation 57(1) received from BSE on November 23, 2023.

* The Company received multiple notices from the BSE and responded with proof of compliance. As of September 26, 2025, the Company received a waiver notice from the BSE waiving the fines of ₹35,400.

Additionally, during the financial year 2024-25, the Company received a Show Cause Notice from SEBI dated September 03, 2024, regarding certain matters w.r.t Non-Convertible Debentures issued under ISIN: INE516Q08281. The Company filed a detailed reply to this SCN. The NCDs were redeemed on March 12, 2024.Further, we have received Adjudication order on April 28, 2026, and we have paid Rs.100,000 as penalty amount on May 12, 2026.

(k) The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer.

Refer clause CC of Section IV of General Information Document.

PP. This General Information Document shall not include a statement purporting to be made by an expert unless the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the Company and has given his written consent to the Issue of this General Information Document and has not withdrawn such consent before the delivery of a copy of this General Information Document to the Registrar (as applicable) for registration and a statement to that effect shall be included in this General Information Document.

PART B

Additional disclosures for MLDs

Please note that the disclosures mentioned in this Part B of the General Information Document shall only be applicable for the MLDs proposed to be issued in terms of the disclosure documents and the disclosures below are merely indicative in nature and not intended to be an exhaustive list of all the disclosures required to be made in accordance with Applicable Law. The relevant disclosures for the items listed below along with any additional disclosures to be made under the SEBI Regulations, the EBP Requirements and/or under any other Applicable Law in relation to MLDs shall be made in the relevant Key Information Document.

A. **Credit rating by any registered CRAs shall bear a prefix 'PP-MLD' denoting Principal Protected Market Linked Debt securities followed by the standardized rating symbols for long/ short term debt securities on the lines specified in SEBI Circular No. CIR/MIRSD/4/2011 dated June 15, 2011, SEBI/HO/MIRSD/DOS3/CIR/P/2019/70 dated June 13, 2019 or as may be specified by the Board.**
As per the relevant Key Information Document.

B. **A detailed scenario analysis / valuation matrix showing value of the security under different market conditions such as rising, stable and falling market conditions**.
As per the relevant Key Information Document.

C. **Details of indicative returns/ interest rates (on annualized basis)**
As per the relevant Key Information Document.

D. **Disclosure stating that latest and historical valuation for such securities shall be made available on the websites of the issuer and of the valuer appointed for the purpose**.

As per the relevant Key Information Document.

E. **Disclosures of all commissions by whatever name called, if any, paid by issuer to distributor for selling/ distribution of such securities to end investors**

As per the relevant Key Information Document.

F. **Disclosure of conditions for premature redemption of such securities, if any**
As per the relevant Key Information Document.

G. **Disclosure w.r.t cost incurred for valuation from AMFI appointed third party valuation agency**
As per the relevant Key Information Document.

PART – C

Additional Disclosures Applicable for Tier II Bonds

Please note that the relevant disclosures for Tier II Bonds along with any additional disclosures to be made under the SEBI Regulations, the EBP Requirements, and or under any other Applicable Law in relation to Tier II Bonds shall be made in the relevant Key Information Document.

PART D

Additional Disclosures applicable for Commercial Papers

Please note that the disclosures mentioned in this Part D of the General Information Document shall only be applicable for the Commercial Papers proposed to be issued in terms of the disclosure documents. Further, the formats mentioned below are merely indicative in nature and does not purport to contain all the disclosures required to be made in relation to the issuance of Commercial Papers and any additional disclosure to be included on account of any requirement (whether existing and effective as on the date of this General Information Document or as on the date of issuance of the relevant Key Information Documents pursuant to SEBI Regulations, RBI CP Master Directions, FIMMDA Guidelines, and or under any other Applicable Law) shall be made in the relevant Key Information Document.

1. **Details of current tranche including ISIN, amount, date of issue, maturity, all credit ratings including unaccepted ratings, date of rating, name of credit rating agency, its validity period, declaration that the rating is valid as at the date of issuance and listing, details of issuing and paying agent and other conditions, if any.**

   As per the relevant Key Information Document.

2. **Commercial Paper borrowing limit, supporting board resolution for Commercial Paper borrowing, details of Commercial Paper issued during the last 2 years**.

   As per the relevant Key Information Document.

3. **End-use of funds**.

End-use of Funds	As per the relevant Key Information Document.
Credit support/ enhancement (if any)	As per the relevant Key Information Document.
Details of instrument, amount, guarantor company	As per the relevant Key Information Document.
Copy of the executed guarantee	As per the relevant Key Information Document.
Net worth of the guarantor company	As per the relevant Key Information Document.
Names of companies to which guarantor has issued similar guarantee	As per the relevant Key Information Document.
Extent of the guarantee offered by the guarantor company	As per the relevant Key Information Document.
Conditions under which the guarantee will be invoked	As per the relevant Key Information Document.

4. **Details of outstanding commercial papers, non-convertible debentures and other debt instruments as on date of offer letter, including amount issued, maturity date, amount outstanding, credit rating and name of credit rating agency for the issue, name of IPA and Debenture Trustee**

   As per the relevant Key Information Document.

5. **Net-worth of the issuer as per the latest balance sheet**.

   As per the relevant Key Information Document.

6. **Shareholding of the issuer's promoters and the details of the shares pledged by the promoters, if any**

As per the relevant Key Information Document.

7. **Long term credit rating, if any, obtained by the issuer**

As per the relevant Key Information Document.

8. **Unaccepted credit ratings, if any, assigned to the issuer**.

As per the relevant Key Information Document.

9. **Summary of audited financials of last three years, material litigation and regulatory actions related to the issuer. If the issuer has not been in existence for three years, the information of the issuer for the period such information is available shall be disclosed**.

As per the relevant Key Information Document.

10. **Any material event/ development having implications for the financials/ credit quality resulting in material liabilities, corporate restructuring event which may affect the issue or the investor's decision to invest in the Commercial Paper/Non-Convertible Debentures**.

As per the relevant Key Information Document.

11. **All details of credit enhancement including backstop facilities provided by the group entity including but not limited to (a) the net-worth of the guarantor, (b) the names of the companies to which the guarantor has issued similar guarantees, (c) the extent of the guarantees offered by the guarantor and (d) the conditions under which the guarantee will be invoked, etc**.

As per the relevant Key Information Document.

12. **Details of default of Commercial Paper, Non-Convertible Debenture or any other debt instrument and other financial indebtedness including corporate guarantee issued in the past five financial years including in the current financial year.**

As per the relevant Key Information Document.

13. **Details of statutory auditor and changes thereof in the last three financial years**.

As per the relevant Key Information Document.

14. **Details of current tranche including amount, current credit rating for the issue, name of credit rating agency, its validity period and details of IPA and Debenture Trustee**.

As per the relevant Key Information Document**.**

15. **Specific details of end-use of funds**.
As per the relevant Key Information Document

SECTION V

ISSUE DETAILS

The following is a summary of the terms of the Issue to the extent that they are applicable to each Tranche/Series.Since the terms for each Tranche/Series may be different, the specific terms of each Tranche/Series of Bonds and Commercial Papers to be issued under the Issue, to the extent that it is different from the summary of terms set out below, shall be specified in the relevant Key Information Document to be issued in respect of that Tranche/Series.

Security Name (*Name of the non- convertible securities which includes Coupon / dividend, Issuer Name and maturity year*)	As set out in the relevant Key Information Document
Issuer	Asirvad Micro Finance Limited
Type of Instrument	As set out in the relevant Key Information Document
Nature of Instrument (Secured or Unsecured)	As set out in the relevant Key Information Document
Mode of Issue	Private Placement
Seniority (Senior or subordinated)	As set out in the relevant Key Information Document
Eligible Investors	Please refer to page 5 of this General Information Document.
Listing (name of stock Exchange(s)where it will be listed and timeline for listing)	The Bonds and Commercial Papers are proposed to be listed on the wholesale debt segment (WDM segment) of the BSE within the timelines prescribed under the applicable SEBI regulations and as more particularly set out in the relevant Key Information Document.
Rating of Instrument	As set out in the relevant Key Information Document.
Issue Size	As set out in the relevant Key Information Document
Minimum subscription	As set out in the relevant Key Information Document
Option to retain oversubscription(Amount)	As set out in the relevant Key Information Document
Objects of the Issue / Purpose for which there is requirement of funds	As set out in the relevant Key Information Document
In case the issuer is a NBFC, whether the objects of the issue entail loan to any entity who is a 'group company'	The proceeds raised from the Issue will not be used for lending to a group company.
Details of the utilization of the Proceeds	As set out in the relevant Key Information Document
Coupon Rate	As set out in the relevant Key Information Document

Step Up/ Step Down Coupon Rate	As set out in the relevant Key Information Document
Coupon Payment Frequency	As set out in the relevant Key Information Document
Coupon Payment Dates	As set out in the relevant Key Information Document
Coupon Type (Fixed, floating or other structure)	As set out in the relevant Key Information Document
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	As set out in the relevant Key Information Document
Day Count Basis (Actual / Actual)	As set out in the relevant Key Information Document.
Interest on Application Money	As set out in the relevant Key Information Document
Default Interest Rate	As set out in the relevant Key Information Document
Tenor	As set out in the relevant Key Information Document
Redemption Date / Maturity Date	As set out in the relevant Key Information Document
Redemption Amount	As set out in the relevant Key Information Document
Redemption Premium/ Discount	As set out in the relevant Key Information Document
Issue Price	As set out in the relevant Key Information Document
Discount at which security is issued and the effective yield as a result of such discount	As set out in the relevant Key Information Document
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	As per the relevant Key Information Document
Put Date	As set out in the relevant Key Information Document
Put Price	As set out in the relevant Key Information Document
Call Date	As set out in the relevant Key Information Document
Call Price	As set out in the relevant Key Information Document
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	As set out in the relevant Key Information Document

Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	As set out in the relevant Key Information Document
Face Value	As per the relevant Key Information Document
Minimum Application and in multiples of thereafter	As set out in the relevant Key Information Document
Issue Timing	**Issue Timing:** As set out in the relevant Key Information Document **Issue Opening Date**: As set out in the relevant Key Information Document **Issue Closing Date**: As set out in the relevant Key Information Document **Date of earliest closing of the Issue, if any**: As set out in the relevant Key Information Document **Pay-in Date**: As set out in the relevant Key Information Document **Deemed Date of Allotment**: As set out in the relevant Key Information Document
Settlement mode of the Instrument	As set out in the relevant Key Information Document
Depositories	National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL)
Disclosure of Interest / Dividend / Redemption Dates	As set out in the relevant Key Information Document
Record Date	As set out in the relevant Key Information Document
Business Day & Business Day Convention	As set out in the relevant Key Information Document
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in the relevant Key Information Document
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation/ mortgage etc.), date of creation of security/likely date of creation of security, minimum security cover, revaluation.	As set out in the relevant Key Information Document
Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this General Information Document	As set out in the relevant Key Information Document

Transaction Documents/ Debenture Documents	As set out in the relevant Key Information Document
Conditions Precedent to Disbursement	As set out in the relevant Key Information Document
Conditions Subsequent to Disbursement	As set out in the relevant Key Information Document
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As set out in the relevant Key Information Document
Creation of recovery expense fund	The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under Chapter IV of the SEBI Debenture Trustees Circular, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV of the SEBI Debenture Trustee Master Circular. The details of the Recovery Expense Fund as established shall be set out in the relevant Key Information Document.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	As set out in the relevant Key Information Document
Provisions related to Cross Default Clause	As set out in the relevant Key Information Document
Role and Responsibilities of Debenture Trustee	As set out in the Key Information Document.
Risk factors pertaining to the issue	Please refer to Section II (*Risk Factors*) of this General Information Document
Governing Law and Jurisdiction	This General Information Document and the other Transaction Documents shall be governed by and shall be construed in accordance with the laws of India. The Parties agree that the courts and tribunals in Chennai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this General Information Document and the other Transaction Documents. The Debenture Trustee may however in the absolute discretion commence any legal action or proceeding arising out of this General Information Document and the other Transaction Documents, in a Court, tribunal or any other appropriate forum in India and the Issuer hereby consents to that jurisdiction.
Additional Disclosures (Security Creation)	In case of delay in execution of the Debenture Trust Deed, the Issuer will pay penal interest of at least 2% p.a. over and above the Coupon Rate till these conditions are complied with at the option of the Investor.
Additional Disclosures (Default in Payment)	In case of default in payment of Coupon and/or principal redemption on the due dates, additional interest/ default interest of atleast 2% (two percent) per annum or such other rate as may be prescribed under the Applicable Law over and above the applicable implicit yield / Coupon Rate will be payable by the Issuer for the defaulting period in respect of such Tranche /Series of the Bonds.
Additional Disclosures (Delay in Listing)	In the event there is any delay in listing of the Bonds beyond the stipulated listing period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Coupon Rate, from the Deemed Date of Allotment of the Bonds until

	the listing of the Bonds is completed.

Notes:

While the debt securities issued under the terms of this General Information Document may be secured to the tune of 100% of the principal and interest amount in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and the events which lead to such change should be disclosed. The list of documents which have been executed in connection with the issue and subscription of debt securities shall be annexed

SECTION VI

UNDERTAKINGS

(1) UNDERTAKINGS IN RELATION TO THE ISSUER BEING ELIGIBLE UNDER THE SEBI ILNCS REGULATIONS

The Issuer hereby undertakes and confirms that the following (as set out in Regulation 5 of the SEBI ILNCS Regulations) are not applicable to the Issuer as on the date of this General Information Document:

(a) the Issuer, any of its promoters, promoter group or directors are debarred from accessing the securities market or dealing in securities by the Board;

(b) any of the promoters or directors of the Issuer is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by the Board;

(c) the Issuer or any of its promoters or directors is a wilful defaulter;

(d) any of the promoters or whole-time directors of the Issuer is a promoter or whole-time director of another company which is a wilful defaulter;

(e) any of its promoters or directors is a fugitive economic offender; or

(f) any fine or penalties levied by the Board /Stock Exchanges is pending to be paid by the Issuerat the time of filing this General Information Document.

(2) UNDERTAKING ON CREATION OF SECURITY PURSUANT TO REGULATION 48(2) OFTHE SEBI ILNCS REGULATIONS

In the event that the Issuer seeks to issue any tranche of secured Bonds, it shall the provide the requisite undertaking under Regulation 48(2) of the SEBI ILNCS Regulations in the respective Key Information Document.

(3) DISCLOSURES PURSUANT TO THE LISTED NCDS OPERATIONAL CIRCULAR AND THE SEBI DEBENTURE TRUSTEE MASTER CIRCULAR

(a) **Details of assets, movable property and immovable property on which charge is proposedto be created**

As set out in the relevant Key Information Document.

Declaration: Where any Tranche/Series of Bonds are proposed to be secured, such Bonds shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

(b) **Terms and conditions of Debenture Trustee Agreement including fees charged by debenture trustees(s)**: Please refer to the consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and fee of the Debenture Trustee.

(c) **Details of security to be created**:

As set out in the Key Information Document.

(d) **Process of due diligence carried out by the debenture trustee**:

The Debenture Trustee shall carry out due diligence in accordance with the manner prescribed in the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)*". The due diligence shall broadly include the following:

(i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Bonds.

(ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.

(iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issuedby SEBI from time to time (including the SEBI Debenture Trustee Master Circular) as per the nature of security provided by the Issuer in respect of the Bonds.

(iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.

Even if the Bonds are to be secured to the extent of at least 100% of the principal and interest amount or as per the terms of this General Information Document, in favor of the Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Due diligence will be carried out for maintenance of the prescribed security cover depending on information provided by the Issuer and the chartered accountant appointed by the DebentureTrustee or the Debenture Trustee will not be responsible for misinformation provided by Issuer.

(e) **Due diligence certificate as per the format specified in Annex IIA of SEBI Debenture Trustee Master Circular**: As set out in the relevant Key Information Document.

(f) **Due diligence certificate as per the format specified in Schedule IV and Schedule IVA of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021**: As set out in the relevant Key Information Document.

(4) OTHER UNDERTAKINGS

The Issuer hereby confirms that:

(a) the Issuer is eligible and in compliance with SEBI ILNCS Regulations, as amended from time to time, to make the private placement of debt instruments;

(b) (to the extent applicable) the Issuer or its promoters or whole-time directors are not in violation of the provisions of Regulation 34 of the SEBI Delisting Regulations, 2021;

(c) neither the Issuer nor any of its promoters or directors is a willful defaulter as

defined under Regulation 2 (1) (ss) of the SEBI ILNCS Regulations; and

(d) the Issuer, its promoters, its directors are not in violation of the restrictions imposed by SEBI under SEBI circular no. SEBI/HO/ MRD/DSA/CIR/P/2017/92 dated August 01, 2017.

(5) DECLARATIONS BY THE CHIEF FINANACIAL OFFICER(CFO) AND COMPLIANCE OFFICER OF THE ISSUER

The CFO and Compliance officer of the Company hereby attest that:

A. the Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulationsmade thereunder;

B. the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, if applicable, is guaranteed by the Central Government;

C. the monies received under the Issue shall be used only for the purposes and objects indicated in this General Information Document and the relevant Key Information Document; and

D. whatever is stated in this General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles. It is further declared that all the required attachments have been completely, correctly and legibly attached to this form.

E. the contents of this General Information Document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein also lies with the Board of Directors.

F. that each of them is duly authorised to attest with respect to the contents contained in clauses (A) to (E) above as well as the General Risk in the box below, by the Board of Directors by way of a resolution, a copy of which is enclosed as Annexure - IX.

General Risk
Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section II (Risk Factors) of this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

Name: Mithun B Shenoy
Designation: Company Secretary and Compliance Officer
Date: September 15, 2026

Name: Amandeep Singh
Designation: Chief Financial Officer
Date: September 15,2026

SECTION VII

DECLARATIONS AND UNDERTAKINGS BY THE ISSUER

The Issuer hereby declares that this General Information Document contains full disclosure in accordance with the SEBI Debt Listing Regulations, the Companies Act and rules thereunder and circulars issued thereunder. Nothing in this General Information Document is contrary to the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulationsmade thereunder.

The Issuer also confirms that this General Information Document does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The General Information Document also does not contain any false or misleading statement in any material respect.

Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this General Information Document. Specific attention of investors is invited to the statement of 'Risk factors' given in Section II (*Risk Factors*) of this General Information Document.

The Issuer having made all reasonable inquiries, accepts responsibility for and confirms that this General Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the General Information Document is true and correct in all material aspects and is not misleadingin any material respect, and that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this General Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Issuer accepts no responsibility for the statements made otherwise than in this General Information Document and that anyone placing reliance on any other source of information would be doing so at his own risk. The Issuer declares that all the relevant provisions of the relevant regulations or guidelines issued by SEBI and other Applicable Laws have been complied with and no statement made in this General Information Document is contrary to the provisions of the regulations or guidelines issued by SEBI and other Applicable Law, as the case may be.

The Issuer has no side letter with any debt securities holder except the one(s) disclosed in this General Information Document. Any covenants later added shall be disclosed on the Stock Exchange website where the Bonds and Commercial Papers are listed.

For **Asirvad Micro Finance Limited**

Name: Mithun B Shenoy
Designation: Company Secretary and Compliance Officer
Date: September 15, 2026

Name: Amandeep Singh
Designation: Chief Financial Officer
Date: September 15,2026

ANNEXURE I

ELECTRONIC BOOK MECHANISM

INVESTORS TO NOTE THAT A SEPARATE APPLICATION PROCESS WILL BE IDENTIFIED FOR THE COMMERCIAL PAPERS IN THE RELEVANT KEY INFORMATION DOCUMENT.

MANNER OF BIDDING

All issuances over Rs. 20 crores shall be made through the EBP Platform in accordance with the SEBI EBP Requirements and the SEBI Operational Circular, the bidding process is set out below in brief for your ready reference:

1. The Issuer is registered with BSE BOND-EBP Platform.

2. The Investor(s) should register themselves with BSE BOND-EBP Platform (as a one time exercise) from the below URL:https://bond.bseindia.com/Issuer_Registration.aspx and also complete the required/prescribed "know your customer" verification process.

3. Eligible Investors should also refer to the operational guidelines of the relevant EBP in this respect.

The following disclosures required pursuant to the EBP Requirements will be set out in the relevant Key Information Document.

(a) Details of size of issue and green shoe option, if any. Provided that the green shoe portion shall not exceed five times the base issue size. Provided further, that issuer shall be required to disclose in this General Information Document, issue-wise green shoe option exercised vis-a-vis the base issue size and green shoe portion as specified in issues undertaken in the previous financial year.
(b) Interest rate parameter - Zero coupon, fixed coupon or floating coupon.
(c) Bid opening and closing date.
(d) Minimum Bid Lot.
(e) Manner of bidding in the Issue i.e. open bidding or closed bidding.
(f) Manner of allotment in the Issue i.e. uniform yield allotment or multiple yield allotment.
(g) Manner of settlement in the Issue i.e. through clearing corporation or through escrow bank account of Issuer.
(h) Settlement cycle i.e. T+1 or T+2 day.
(i) Estimated cut-off yield.

4. Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this General Information Document, the relevant Key Information Document along with the relevant PPOA have been issued by the Issuer and who have submitted/shall submitthe Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Bonds towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of the Bank	Payment through INDIAN CLEARING CORPORATION LIMITED
IFSC Code	
Account Number	

Name of the beneficiary	

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will berefunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Bonds in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Bonds and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Bonds and the credit of the Bonds into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Bonds from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Name of the beneficiary	Payment through INDIAN CLEARING CORPORATION LIMITED
Name of the Bank	
Branch Address:	
IFSC Code	
Account Number	

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other Applicable Law.

5. Timeline for issue setup and bidding window:

Activity	Timeline
Uploading the General Information Memorandum, Key Information Memorandum and term sheet with BSE BOND-EBP Platform	At least two working days prior to the start of relevant Issue Opening Date.
Bidding announcement on BSE BOND-EBP Platform along withdetails of bid opening and closing time	At least one Working Day before initiating the bidding process in accordance with the EBP Requirements.
Time frame for Bidding window	The bidding window shall be open for at least one hour.

6. Bids shall be made by way of entering bid amount in Rupees (INR) and yield in basis points i.e. up to four decimal points.

7. For further details, Investors should refer to the SEBI EBP Requirements and the SEBI Operational Circular.

8. Only Eligible Investors as given hereunder and identified upfront by the Issuer may apply for the Bonds by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Bonds that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not

completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant'sown safety and these details will be printed on the refund orders and /or redemptions warrants.

9. Settlement:

Pay-in towards the allotment of securities shall be done from the account of the bidder, to whom allocation is to be made. Pay in shall be done through clearing corporation of BSE.

10. Settlement Summary

Timelines	Activity for Clearing Corporation
T Day	Bidding Date
T+1 Day	Successful Bidders to transfer funds from bank account(s) registered with BSE BOND to the bank account of ICCL to the extent of funds pay-in obligation on or before 10:30 hours. The Designated Bank Account of ICCL shall be as shared by BSE to the Investors. Issuer to inform BSE BOND about the final decision of the Issuer to go-ahead with allotment for the Issue by 12:00 hours. Issuer to give instruction to RTA for crediting securities to Successful Bidders. RTA to provide corporate action file along with all requisite documents to Depositories by 12:00 hours. Clearing corporation to initiate transfer of funds to the bank accounts designated by the Issuer.
Activity for Depositories Depositories on the instruction of Issuer or through its RTA, will be crediting the Bonds tothe demat account of the Investors.	

11. Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, yield, ISIN, number of Successful Bidders, category of the Successful Bidder(s), etc., in accordance with the SEBI Operational Circular and the EBP requirements. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

12. Offer or Issue of PPOL to Successful Bidders

The PPOA along with the Application Form will be issued to the Successful Bidders. Successful Bidders will be required to complete and submit the Application Form and the PPOA to the Issuer in order to accept the offer of Bonds. No person other than the Successful Bidders to whom the PPOA has been issued by Issuer may apply for the Issue and any Application Form received from a person other than those specifically addressed will be invalid.

13. Splitting and Consolidation

Splitting and consolidation of the Bonds is not applicable in the demat mode form since the saleable lot is one Debenture.

ANNEXURE II

FINANCIAL STATEMENTS OF THE COMPANY FOR THE LAST 3 YEARS

Attached Separately

ANNEXURE III

CONSENT LETTER FROM THE TRUSTEE AND REGISTRAR

As set out in the relevant Key Information Document

ANNEXURE IV

PART A - FORM PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

1. General Information:

A. Name, address, website and other contact details of the Company, indicating both registered office and the corporate office:

Name of the Company	:	Asirvad Micro Finance Limited
Registered Office Address	:	CEEBROS MANJULA, 3rd Floor, Office No. 1, New No.39, Old No.45, Montieth Road, Egmore, Opp: Indian Red Cross Society, Chennai, Tamil Nadu - 600 008
Corporate Office Address		Building No. 4/85 B, C & D, Chanthappadi, Valapad, Thrissur, Kerala, PIN-680567
Contact Number	:	+91-9345960647
Fax Number	:	NA
Contact Person	:	Mr. Mithun B Shenoy, Compliance Officer and Company Secretary of the Issuer
Email ID	:	cs@asirvad.in, sec@asirvad.in
Website	:	www.asirvadmicrofinance.co.in

B. Date of Incorporation of the Company:

August 29, 2007

C. Business carried on by the Company and its subsidiaries with the details of branches or units, if any:

(a) **The description of the Company's Principal Business Activities are as under:**

Please refer to Paragraph H of Part A of Section IV of this GID.

(b) **Details about the subsidiaries of the Company with the details of \branches or units:**

As on the date of this General Information Document, the Issuer has no subsidiaries.

D. Brief particulars of the management of the Company:

(a) **Details of Board of Directors of the Company & their profile:**

Please refer to Paragraph S of Part A of Section IV of this GID.

(b) **Details of Key Management Personnel of the Company & their profile:**

Please refer to Paragraph S of Part A of Section IV of this GID.

E. Name, address, DIN and occupations of the directors:

Please refer to Paragraph S of Part A of Section IV of this GID.

F. Management's perception of Risk Factors:

Please refer to Section II of this General Information Document.

G. Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:

Sr. No.	Particulars	Default Amount
1.	Statutory Dues	Nil
2.	Debenture and interest thereon	Nil
3.	Deposits and interest thereon	Nil
4.	Loans from any bank or financial institutions and interest thereon	Nil

H. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:

Name of Nodal/ Compliance officer	Designation	Address	Phone No.	Email ID
Mr. Mithun B Shenoy	Company Secretary & Compliance Officer	Building No. 4/85 B, C & D, Chanthappadi, Valapad, Thrissur, Kerala, PIN-680567	+91-9345960647	cs@asirvad.in

I. Registrar of the Issue: Please refer to the relevant Key Information Document

J. Valuation Agency: NA

K. Auditors: Please refer to Paragraph U of Part A of Section IV of this GID.

L. Any default in annual filing of the Company under the Companies Act, 2013, or the rules made thereunder –
NA

2. **Particulars of the Offer**:

Financial position of the Company for the last 3 financial years	Please refer to Paragraph M of Part A of Section IV of this GID. For detailed financial statements along with Auditor's reports, requisite schedules, footnotes, summary etc. please refer to Annexure II of this GID.
Date of passing of Board Resolution	April 10, 2026. A copy of the said board resolution as annexed herewith and marked as **Annexure IX**.
Date of passing of resolution in general meeting, authorizing the offer of securities	April 01, 2023. A copy of the said shareholders' resolution as annexed herewith and marked as **Annexure VIII**.
Kinds of securities offered (i.e. whether share or debentures) and class of security; the total number of shares or other securities to be issued:	Please refer to the relevant Key Information Document.
Price at which the security is being offered, including premium, if any, along with justification of the price: _____ INR	Please refer to the relevant Key Information Document.
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Please refer to the relevant Key Information Document.

<table>
<tr><td>Relevant date with reference to which the price has been arrived at</td><td>Please refer to the relevant Key Information Document.</td></tr>
<tr><td>The class or classes of persons to whom the allotment is proposed to be made</td><td>Please refer to the provisions regarding 'Details of Eligible Investors' under this General Information Document</td></tr>
<tr><td>Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)</td><td>Please refer to the relevant Key Information Document.</td></tr>
<tr><td>The proposed time within which the allotment shall be completed</td><td>Please refer to the relevant Key Information Document.</td></tr>
<tr><td>The names of the proposed allottees and the percentage of post private placement capital that may be held by them</td><td>Please refer to the relevant Key Information Document.</td></tr>
<tr><td>The change in control, if any, in the company that would occur consequent to the private placement</td><td>NA</td></tr>
<tr><td>The number of persons to whom allotment on preferential basis/ private placement / rights issue has already been made during the year, in terms of number of securities as well as price</td><td>Please refer to the relevant Key Information Document.</td></tr>
<tr><td>The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.</td><td>Please refer to the relevant Key Information Document.</td></tr>
<tr><td>Amount, which the Company intends to raise by way of proposed offer of securities</td><td>Please refer to the relevant Key Information Document.</td></tr>
<tr><td>Terms of raising securities</td><td><table>
<tr><td>Duration, if applicable:</td><td>As specified in the respective Key Information Document.</td></tr>
<tr><td>Coupon</td><td>As specified in the respective Key Information Document.</td></tr>
<tr><td>Mode of Payment</td><td>As specified in the respective Key Information Document.</td></tr>
<tr><td>Mode of Repayment</td><td>As specified in the respective Key Information Document.</td></tr>
</table></td></tr>
<tr><td>Proposed time schedule for which the offer letter is valid</td><td>As specified in the respective Key Information Document.</td></tr>
<tr><td>Purpose and objects of the Issue</td><td>As specified in the respective Key Information Document.</td></tr>
<tr><td>Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects</td><td>As specified in the respective Key Information Document.</td></tr>
<tr><td>Principal terms of assets charged as security, if applicable</td><td>As specified in the respective Key Information Document.</td></tr>
<tr><td>The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations</td><td>NIL</td></tr>
<tr><td colspan="2">The pre-issue and post-issue shareholding pattern of the Company in the following format:</td></tr>
</table>

There will be no change in shareholding pattern of the Company pursuant to the Issue, as non-convertible debentures are being issued. Please find below the details in relation to the same, set out in the tables drawing comparison between 'pre-issue' and 'post-issue' shareholding pattern of the Company:

3. Mode of payment for subscription:

- Cheque
- Demand draft
- Other banking channels, such as RTGS

Please refer to the relevant Key Information Document.

4. Disclosure with regard to interest of directors, litigation, etc.:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons	**Nil**
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last three years immediately preceding the year of the issue of the Private Placement Offer cum Application Letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Please refer to Paragraph AA of Part A of Section IV of this GID.
Remuneration of directors (during the current year and last three financial years)	Please refer to Paragraph S of Part A of Section IV of this GID.
Related party transactions entered during the last three financial years immediately preceding the year of issue of Private Placement Offer cum Application Letter including with regard to loans made or, guarantees given or securities provided	Please refer to Paragraph FF of Part A of Section IV of this GID.

Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of Private Placement Offer cum Application Letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	Please refer to Paragraph OO(i) of Part A of Section IV of this GID.
Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous Company law in the last three years immediately preceding the year of issue of Private Placement Offer cum Application Letter in the case of the Company and all of its subsidiaries, and if there were any were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the Private Placement Offer cum Application Letter and if so, section-wise details thereof for the Company and all of its subsidiaries	Please refer to Paragraph OO(j) of Part A of Section IV of this GID.
Details of acts of material frauds committed against the Company in the last three years, if any, and if so, the action taken by the Company	Please refer to Paragraph OO(k) of Part A of Section IV of this GID.

5. Financial Position of the Company:

A. The capital structure of the company:

	Authorised Capital (In Rs.)	Issued Capital (In Rs.)	Subscribed Capital (In Rs.)	Paid Up Capital (In Rs.)
Number of Equity shares	60,00,00,000	51,23,15,971	51,23,15,971	51,23,15,971
Nominal amount per equity share	10	10	10	10
Total amount of equity shares	6,00,00,00,000	5,12,31,59,710	5,12,31,59,710	5,12,31,59,710
Number of preference shares	Nil	Nil	Nil	Nil
Nominal amount per preference shares	Nil	Nil	Nil	Nil
Total amount of preference shares	Nil	Nil	Nil	Nil

B. Size of the present offer: *As mentioned in the Key Information Document*

C. Paid up capital

i. After the offer:	As the Debentures are non-convertible debt instruments, their issuance will not result in a change in the share premium account
ii. After conversion of convertible instruments (if applicable):	As the Debentures are non-convertible debt instruments, their issuance will not result in a change in the share premium account
iii. Share premium account (before and after the offer):	As the Debentures are non-convertible debt instruments, their issuance will not result in a change in the share premium account

The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration

Date of allotment of Equity Shares	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
August 29, 2007	100,000	10.00	10.00	Cash	Allotment pursuant to initial subscription to the Memorandum of Association	100,000	1,000,000
October 15, 2007	2,600,000	10.00	10.00	Cash	Further issue	2,700,000	27,000,000
November	2,700,000	10.00	10.00	Cash	Rights issue	5,400,000	54,000,000
27, 2008	27,500	10.00	10.00	Cash	Private placement	5,427,500	54,275,000
January 17, 2009	7,500	10.00	10.00	Cash	Private placement	5,435,000	54,350,000
September 7, 2009	1,716,966	10.00	40.48	Cash	Private placement	7,151,966	71,519,660
July 12, 2010	888,889	10.00	90.00	Cash	Private placement	8,040,855	80,408,550

June 6, 2013	10,000	10.00	11.17	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOS 2011	8,050,855	80,508,550	
February 28, 2014	20,000	10.00	11.17	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOS 2011	8,070,855	80,708,550	
November 6, 2014	109,500	10.00	11.17	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOS 2011	8,180,355	81,803,550	
January 19, 2015	14,500	10.00^	11.17	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOS 2011	8,194,855	81,948,550	
February 19, 2015	7,561,126	10.00	83.32	Cash	Rights issue	15,755,981	157,559,810	
February 3, 2016	10,000	10.00	11.17	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOS 2011	15,765,981	157,659,810	
March 4, 2016	10,351,966	10.00^	96.60	Cash	Rights issue	26,117,947	261,179,470	
March 17, 2016	158,689	10.00^	96.60	Cash	Rights issue	26,276,636	262,766,360	
December 22, 2017	5,798,224	10.00	95.34	Cash	Rights issue	32,074,860	320,748,600	
April 27, 2018	10,488,777	10.00	95.34	Cash	Rights issue	42,563,637	425,636,370	
March 16, 2019	10,748,250	10.00	252.00	Cash	Rights issue	53,311,887	533,118,870	
September 29, 2022	9,328,358	10.00	268.00	Cash	Rights issue	62,640,245	626,402,450	
June 30, 2023	4,120,879	10.00	364.00	Cash	Rights issue	66,761,124	667,611,240	
August 26, 2023	133,522,248	10.00	Not Applicable	Not Applicable	Allotment pursuant to bonus issue of Equity Shares in the ratio of two Equity Shares for every one Equity Share held by eligible shareholders of our Company	200,283,372	2,002,833,720	

					holding Equity Shares		
June 06, 2025	8,33,33,333	10.00	60.00	Cash	Rights issue	28,36,16,705	2,83,61,67,050
December 29, 2025	4,90,19,607	10.00	51.00	Cash	Rights issue	33,26,36,312	3,32,63,63,120
April 10, 2026	17,96,79,659	10.00	44.00	Cash	Rights Issue	51,23,15,971	5,12,31,59,710

Number and price at which each of the allotments were made in the last one year preceding the date of the Private Placement Offer cum Application Letter	Please refer to Section IV of the General Information Document.
Profits of the Company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of the Private Placement Offer cum Application Letter	
Dividends declared by the Company in respect of the said three financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	
A summary of the financial position of the Company as in the three audited balance sheets immediately preceding the date of issue of Private Placement Offer cum Application Letter	Please refer to Paragraph M of Part A of Section IV of this GID. For detailed financial statements along with Auditor's reports, requisite schedules, footnotes, summary etc. please refer to Annexure II of this GID.
Audited Cash Flow Statement for the three years immediately preceding the date of issue of Private Placement Offer cum Application Letter	Please refer to Paragraph M of Part A of Section IV of this GID. For detailed financial statements along with Auditor's reports, requisite schedules, footnotes, summary etc. please refer to Annexure II of this GID.
Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company	During FY 24-25 there was a restatement of financial statements. Restatement of financial statements is made when there is a change in accounting policy.

Particulars	**FY 2026**	**FY 2025**	**FY 2024**
Profit Before Tax	-83,577.72	-81,100.54	62,163.48
Profit After Tax	-57,905.78	-63,871.69	45,830.37

Particulars	**FY 2026**	**FY 2025**	**FY 2024**
Dividend	Nil	Nil	Nil
Interest Coverage Ratio	-0.37	0.22	1.66

PART B: APPLICANT'S DETAILS
(To be filed by the Applicant – Refer Application Form)

i.	Name	
ii.	Father's Name	
iii.	Complete Address including Flat/ House Number, street, Locality, pin code	
iv.	Phone number, if any	
v.	Email ID, if any	
vi.	PAN Number	
vii.	Bank Account Details	
viii.	Tick whichever is applicable	
(a)	The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non- debt Instruments) Rules, 2019 prior to subscription of shares.-	☐
(b)	The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith.-	☐

Signature of the Applicant

_____

Initial of the officer of the Company designated to keep the record

_____

ANNEXURE V

ILLUSTRATION OF CASH FLOW FROM DEBENTURES

1. **The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made**: As per the relevant Key Information Document.
2. **Procedure and time schedule for allotment and issue of securities**: As per the relevant Key Information Document
3. **Cash flows emanating from the non-convertible securities, by way of an illustration**: As per the relevant Key Information Document.

ANNEXURE VI

LENDING POLICY

MFI Credit Policy

Background

Asirvad MFI Credit Policy is designed in a way to give broad direction to achieving its organizational goals keeping in mind, the needs of its clients, the regulatory guidelines, managing risks associated and the interest of its stakeholders. Providing support to the Joint Liability Group (JLG) means a group of individuals often from similar socio-economic backgrounds. Individuals/ members of the JLG Groups having an annual household income up to ₹3,00,000 will be eligible to avail loans under the term Microfinance. This model is based on the idea that people belonging to lower-income segments have skills that are under-utilized. It is further premised on the fact that if such individuals are given access to credit, they will be able to identify new opportunities and grow existing income generating activities such as running local retail shops, providing tailoring and other assorted trades and services, raising livestock, cottage production such as pottery, basket weaving and mat making, land and tree leasing, among others. We believe that access to basic financial services can significantly increase economic opportunities for families in the lower-income segment.

Principles

- To help the economically active poor family, preferably women,
- To improve the living status through small but decisive financial interventions through microcredit.
- Provide micro finance loans to the clients in JLG model through nearby local centers, or own individual liabilities of the borrower & co-borrower(s).
- Make available collateral-free loans under micro finance loans.
- Relying on social collateral by creating groups of borrowers.
- Loans can be repaid with interest in flexible periodicity of weekly/fortnightly/four weekly/monthly instalments as opted by customer.
- Continuous engagements with clients and building Social Capital.

Training to members

We believe it is essential to build a culture of product awareness and credit discipline from the early stages of group formation. We address this through training and education. We provide basic product awareness training for our members as many of them have varying levels of literacy and awareness about financial products and services. Our standardized training programs serve as a platform for increased trust and discipline within the JLGs which we believe translates to better loan portfolio performance and contributes to the sustainable growth of our business. Once a group is formed, we conduct training sessions or compulsory group trainings, consisting of a series of hour-long sessions over three days. During the training period, our employees also collect quantitative data on each potential member to ensure she qualifies for the program and to record baseline information for future analysis. On the last day, a group recognition test is administered, and members are officially inducted. Many of the training sessions have an everyday beneficial effect on our members such as the ability to sign their name, count cash and work in groups. So, every borrower would be explained the terms of credit to enable them to make informed choices during CGT (Compulsory Group Training) / Mini GRT / GRT (Group Recognition Test) sessions before processing loan applications. On sanction of loans by the

company, all terms and conditions would be informed to the borrower in writing in vernacular language.

Credit Appraisal and Loan Sanction

The decision to give a loan is done by conducting the credit assessment on each individual in the group, based on multiple parameters such as member profile and their standard of living, members other obligations, their previous credit history, repayment capacity applying all other credit rules. Such information is collected based on the customer inputs and it will be independently assessed by the field development assistant (FDA) to arrive at the loan amount and EMI.

- The members of the Group in the Centre will mutually guarantee the loans. Besides, one of the family members will join as a co-applicant. Guarantee and co-applicants should be applicable to all loans. The loan amount details of the members will be discussed at the Centre Meetings or CGT / Mini GRT / GRT time and loan application duly completed by the Field Development Assistant and further recommended by the Group /Centre leader of the Group /Centre in case of new loan.
- The data entry and the Credit Bureau check are to be done by the Field Development Assistant.
- The Field Development Assistant will assess the credit requirements of members based on the income and expenses declared by the members in the group subject to verification of CIC reports and local enquiries. FDA will submit the details for review of the Asst. Branch Head/Branch Head and Area Head (or any authorized person from time to time) along with verification of house address, KYC, bank account details and mobile no.
- The Branch Head will again scrutinize the loan applications with physical documents, and if satisfied, such loan applications only shall sanction.
- The disbursement of the loans will happen from HO by cashless mode through Bank accounts details provided by the customer after deducting the Processing fee, insurance Premium along with applicable GST and other charges provided in the factsheet and application form.

Risk Management

Asirvad exposed to risks that are inherent and particular to micro-credit lending and the environment in which we operate. We have identified and implemented comprehensive credit rules, policies and procedures to assess, monitor and manage the risks we face. We seek to continuously improve our risk management processes to address the changing risk environment and to ensure that our processes are sufficiently agile to adapt to the changing risk landscape. We have developed detailed processes for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed in Risk Management Committee. The Risk Management Committee of our Board reviews the risk management policies in relation to various risks and regulatory compliance issues.

- Credit Concentration Risk to mitigate concentration risk in both our loan portfolio and borrowings through well-defined geographic and borrower dependence norms. We have adopted a policy to limit the maximum exposure of the State & District to 10% and 1% of our total AUM.
- Operational and Credit Risk Our core business of providing unsecured loans in rural areas requires a high level of operational and credit risk management. To mitigate operational and credit risks, we have adopted the following strategies:

- We have adopted a uniform lending process across all branches and ensure that the process is well-documented for transparency and consistency, enabling predictability of transactions as a further risk mitigant.
- Robust internal audit. We have adequate controls and processes in place with respect to our operations. Our Internal Audit department monitors adherence to internal controls and processes and provides inputs for strengthening our risk management.

Gold Loan Credit Policy

Loan disbursement process

Initial Evaluation and Loan Origination Process: The principal form of security that we accept is wearable, household, used, gold jewellery. While these restrictions narrow the pool of assets that may be provided to us as security, we believe that it provides us with the key advantages. It filters out spurious jewellery that may be pledged by jewellers and goldsmiths. We find that household, used jewellery is less likely to be spurious or fake. The emotional value attached by each household to the pledged jewellery acts as a strong incentive for timely repayment of loans and revoking the pledge. This prevents our exposure to large sized loans where the chances of default and subsequent losses are high. The amount that we finance against the pledged gold jewellery is typically based on a fixed rate per gram of gold content in the jewellery. We value the gold jewellery brought by our Gold loan customers based on our centralized policies and guidelines. We lend up to 75% of the 22 carat gold price based on 30 day average India Bullion and Jewellers Association of 22 carat gold as per the recent RBI guidelines. While accepting the gold as collateral, as per the applicable regulatory norms, the Company gives a certificate of estimated purity of the appraised gold to the customer. If the gold is of purity less than 22 carats the Company translates the collateral into 22 carat and specifies the exact grams of the collateral. In other words, jewellery of lower purity of gold is valued proportionately. The certified purity is applied for determining the maximum permissible loan and the reserve price for auction. While jewellery can be appraised based on a variety of factors, such as total weight, weight of gold content, production cost, style, brand and value of any gemstones, we appraise the gold jewellery solely based on its gold content. Our Gold loans are therefore generally well collateralized because the actual value of the gold jewellery is higher than our appraised value of the gold jewellery when the loan is disbursed.

The amount we lend against an item and the total value of the pledged gold we hold fluctuates according to the market price of gold. Similarly, since adequate margins are built in at the time of the loan disbursement and owing to the short tenure of these loans on average, a decrease in the price of gold generally has little impact on our interest income. However, a sustained decrease in the market price of gold could cause a decrease in the growth rate of gold loans in our loan portfolio and interest income. Gold loans are sanctioned only to genuine borrowers. Before sanctioning the gold loan, the branch manager takes all precautions to ensure that the applicant pledging the ornaments, is the owner of those ornaments and that the borrower is genuine. The branch manager obtains ID proof and photograph of the borrower and makes reasonable enquiry about the residence, job, personal details, ownership of the ornaments etc. and makes a note in the pledge form. We also undertake a field verification to authenticate the genuineness of the borrower in case of high value gold loans. Since the disbursement of loans is primarily based on the value of collateral, the customer's

creditworthiness is not a factor in the loan decision. However, we comply with 'know your customer' ("KYC") norms adopted by the Board of Directors and require proof of identification and address proof. Compliance with the KYC policies ensures that the personal data provided by a particular customer is accurate. We also photograph customers with web-cameras installed in our branches at the time of each pledge. For all loans, the customer must produce the original document that confirms the customer's identity and address, which could be a government issued document, such as a passport, driver's license, Permanent Account Number ("PAN") card, election card or ration card. The KYC details (including proof of identity and the customer's photograph) are maintained electronically at every branch. The unique customer identification code (UCIC) provided to every customer ensures that the customer need not provide the ID proof again in future instances. For loans above ₹5,00,000 and below ₹10,00,000, the customer's gold is checked for its authenticity by our team of gold inspectors in the immediate vicinity or senior staff in nearby branch, followed by a background verification by the vigilance team after disbursal of the loan. For loans above ₹10,00,000 the gold is inspected by a gold inspector and the background of the customer is checked by our vigilance team before disbursal of the loan. Pursuant to the circular dated September 16, 2013, issued by the RBI, Gold loan NBFCs have been mandated to insist on a copy of the PAN card of the borrower for all transactions above ₹5,00,000. Further, where the gold jewellery pledged by a borrower at any one time or cumulatively on loan outstanding is more than 20 grams, NBFCs must keep record of the verification of the ownership of the jewellery. Our internal policies have been suitably modified.

Loan Approval process

The first step in the process is the appraisal and evaluation of the gold to be used as security for the gold loan. Each of our branches has designated personnel for gold appraisal who operate in accordance with a clear policy regarding their function and responsibilities. The initial appraisal is performed by a trained employee who has experience in appraising the gold content of jewellery. This process involves several principal tests, which include the nitric acid test, the touchstone test and filling test. For loans above ₹5,00,000 and below ₹10,00,000, the customer's gold is checked for its authenticity by our branch employees followed by a background verification by our branch head after disbursal of the loan. For loans above ₹10,00,000 the gold is inspected by our employees and full customer profiling is done by our area heads. The gross weight of the gold jewellery is determined by weighing the jewellery. An amount in connection with the purity of the gold is the weight deducted from the gross weight to arrive at net weight. We have determined a constant percentage deduction that applies depending on the purity of the gold, which is based on the proportion of gold contained in the jewellery in relation to other metals. As purity decreases, the percentage deduction to the gross weight for arriving at the net weight increases. The weight of stones and other material that is embedded in the jewellery is also deducted from the gross weight to determine the net weight. The system generated application is then signed by both the customer and the appraiser/staff. The pledge form is then printed, one copy is maintained with the branch, and one copy is handed over to the customer. The disbursement of the loan from our branches at this stage is immediate. Loans of ₹ 20,000 and above are disbursed only by way of bank transfer or cheque. The gold items are then packed and immediately stored in the strong room. We also have an option of transferring the amount to the customer's bank account for loans less than ₹ 20,000. Our Company provides loans up to 75% of the value of the gold jewellery based on the 30-day average India Bullion and Jewellers Association of 22 carat gold as per the recent RBI guidelines. The remainder 25% is set aside as margin for the loan.

Post disbursement process

Custody of gold collateral

The Gold ornaments pledged by the customers are kept in specially made tamper evident envelopes supplied to the branches for this purpose and then in plastic cover which is sealed with a numbered sticker made for this purpose. The sticker no. is also entered in the system at the time of pledge. The details of the ornaments like item description and weight are noted on the packets. These ornaments are appraised by the appraiser and verified by the branch heads and joint custodian. The packets are then kept inside the single key cellular safe locker inside the safe room. When the packets/covers are kept inside the locker, entry is made in the movement register which is also kept inside the safe room. The safe room in which the gold jewellery are kept is built as per industry standards and practices. Pursuant to the circular dated September 16, 2013, issued by the RBI, the business of granting loans against the security of gold cannot be transacted at places where there are no proper facilities for storage/security of the gold jewellery. Further, no new branches can be opened without suitable storage arrangements having been made threat.

Inventory control

The ornaments pledged are stored in serially numbered packets and entries are made in securities register under the joint signatures of the branch manager and the joint custodian. Entries are also made in this register at the time of release of the pledged ornaments. The cumulative number of packets inside the strong room as per the securities register is verified and tallied with the consolidated stock statement generated from the system at the end of the day on daily basis. The stock statement is also verified and tallied with the general ledger on the last working day of the month and at the time of internal audit and gold inspection. Branch security and safety measures ensuring the safety and security of the branch premises is vital to our business since our cash reserves and gold inventory are stored in each branch.
Our branch security measures mainly comprise the following:

1. Safe rooms where gold ornaments and cash kept are constructed as per RBI specifications.
2. All our branches are provided with burglar alarms and fire alarms.
3. The OTC (One-Time Code) lock has been implemented to ensure centralized control and enhance operational safety.
4. Surveillance systems consisting of CCTV cameras have been installed in all our branches and controlled in head office.
5. Wireless panic switch, foot panic alarm switches and hooters are implemented for better security control from theft and burglary.
5. Network Video Recorder (NVR) implemented, through which branch head and area head easily identify any suspicious movement happening in branches.
6. We have centralized 24*7 control room in head office for monitoring 520 branches across India for ensuring the security and safety of our branches, offices, sites, and valuable assets therein.

Collection and Recovery Processes

At present our gold loans have a tenure of 12 months; however, customers may redeem the loan at any time prior to the full tenure. As per the current policy of our Company, interest is to be paid in accordance with the scheme. If a loan is not repaid on time and after providing due notice to the customer, the unredeemed pledged gold is disposed of, on behalf of the customer in satisfaction of the principal and interest charges in accordance with the applicable RBI guidelines. Any surplus arising out of the disposal of the pledged gold is refunded to the customer or is appropriated towards any other liability by the borrower. In the event that the recoverable amount is more than the realisable value of the pledged gold, the customer remains liable for the shortfall.

Our Company has an internal collection process wherein a customer is intimated by means of short messaging service and phone calls in the event of defaults in repayment in a timely manner. When a customer does not repay a loan on or before its maturity, we initiate the recovery process and dispose off pledged gold to recover the amount owed to us, including both the principal and accrued interest. Before initiating the recovery process, we inform the customer through registered letters or legal notices. We advise and encourage the customers to service the interest regularly to avoid migration of interest rates to higher slabs. Gold ornaments pledged with the company, if not redeemed within a period of 9 months / 12 months from the date of pledge, will be disposed by the company by way of public auction, after the expiry of 9 months/ 12 months (as the case may be) and seven days of grace. The Company will give due notice of auction to the customer by way of registered post/courier at least 15 days before the date of auction. Details about the auction will be published in a vernacular newspaper and also in a national daily.

Pursuant to the circular dated September 16, 2013, issued by RBI, the following additional stipulations have been made in respect to auctioning of gold jewellery:

1. Auction should be conducted in the same district or taluka in which the branch that has extended the loan is located.
2. While auctioning the gold, NBFCs have been mandated to declare a reserve price for the pledged ornaments. The reserve price for the pledged ornaments should not be less than 85% of the previous 30-day average closing price of 22 carat gold as declared by IBJA and value of lower purity jewellery in terms of carats should be proportionately reduced.
3. NBFCs have been mandated to provide full details of the value fetched in the auction and the outstanding dues adjusted and any amount over and above the loan outstanding should be payable to the borrower; and
4. NBFCs shall disclose in their annual reports, the details of the auctions conducted during the Financial Year including the number of loan accounts, outstanding amounts, value fetched and whether any of its sister concerns participated in the auction.

MSME Credit Policy

Scope

The scope for MSME loans at Asirvad MSME encompasses a wide range of financial products and services tailored to meet the diverse needs of Micro, Small, and Medium Enterprises. MSME is the fast-growing sector in the Indian economy. Passing of Micro, Small and Medium Enterprises Development (MSMED) Act 2006, paved way for the growth of the sector in India.

Definition of Micro, Small and Medium Enterprises

Enterprises are broadly classified into manufacturing and servicing. Both the categories of enterprises have been further micro, small and medium enterprises based on their investment in plant and machinery (for manufacturing enterprises) or on equipment (in case of enterprises providing or rendering services).

Credit appraisal process

a) Borrower is selected based on experience, track record and compliance of KYC guidelines.

b) Our field officer's / credit managers visit borrowers' residence / office / factory to understand the management, business and financial requirements of the borrowers.

c) AMFL evaluates project cost, promoter's contribution, existing cash flows and surplus based on documentary evidences or through an interview process for loans up to Rs 15 lakh.

d) Borrowers will be rated as per the internal credit assessment model. To determine the quantum of loan cash surplus to service the debt and availability of collateral will be considered.

Exposure

Range of Loan	Category
Loan up to Rs. 50 lakh	Micro Enterprises
More than Rs. 50 lakh to Rs 100 lakh	SME

General

Classification of Special Mention Account (SMA) and Non- Performing Assets

Basis for classification of SMA & NPA categories shall be as follows:-

Categories	Basis for classification (Principal or interest payment or any other amount wholly or partly overdue)
SMA-0	Upto 30 days
SMA-1	31 to 60 days
SMA-2	61 – 90 days
NPA	More than 90 days

ANNEXURE VII

DUE DILIGENCE CERTIFICATE ISSUED BY THE DEBENTURE TRUSTEE

As set out in the relevant Key Information Document

ANNEXURE VIII

SHAREHOLDERS' RESOLUTIONS (SECTION 180(1)(C) AND SECTION 180(1)(A) OF THE COMPANIES ACT, 2013)

Attached Separately

ANNEXURE IX

BOARD RESOLUTION

Attached Separately

ANNEXURE X

AUDITOR CONSENT LETTER

Attached Separately

M.P.Chitale & Co.
Chartered Accountants
759/70 Vatsala Bhavan, Prabhat Road, Lane No.1, Pune - 411 004 E-mail: sanat@mpchitale.com

INDEPENDENT AUDITORS' REPORT

To the Members of Asirvad Micro Finance Limited.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Asirvad Micro Finance Limited** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("the SAs") specified under sub-section (10) of section 143 of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

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

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Expeeted Credit Loss - Impairment of carrying value of loans and advances** Refer to Note 3(i) of significant accounting policies and Note 39. Under Ind AS 109, Expected Credit Losses ('ECL') are required to be determined for recognizing impairment losses on financial assets which are stated at amortized cost. The Company exercises significant judgment using assumptions in recognizing impairment provision for loans and advances. The computation of impairment provision or ECL is based on significant management estimates and judgments, which are as under: • Judgements about credit risk characteristics for collective evaluation of impairment under various stages of ECL • Qualitative and quantitative factors used in staging the loan assets carried at amortized cost. • Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). • Consideration of probability scenarios and forward looking macro-economic factors ECL requires a large variety of data such as historical data, macro-economic & state specific variables as an input to the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.	We performed following audit procedures: • Read the Company's Board approved Ind-AS 109 based impairment provisioning Methodology and Estimates policy. • Understood and assessed the Company's processes and controls on measurement and recognition of impairment in the loan portfolio • Verified on a sample basis, loans in stage 1, 2 and 3 to ascertain that they were allocated to the appropriate stage • Test checked the Probability of Default ('PD') and Loss Given Default ('LGD') computations performed by the management, including testing data used in assessment and evaluation of whether the results support appropriateness of the PDs at a portfolio level • Test checked the computations of determining Exposure at Default (EAD) • Test checked the manner of determining significant increase in credit risk and the resultant basis for classification of exposures into various stages • Performed an assessment of the ECL provision at each stage to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment. • Tested the arithmetical accuracy of the

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

	In view of the criticality of the item to the Financial Statements, complex nature of assumptions, & judgements exercised by the management and loans forming a major portion of the Company's assets and impairment charge for the year being material to the net profit for the year, in our opinion this is considered as a Key Audit Matter.	computations made by the Company • Perused the disclosures in the financial statements in respect of ECL and specific disclosures made in adherence with RBI guidelines related to COVID-19 packages. • We have also obtained management representations wherever considered necessary.
2.	**IT Systems and Controls** The Company operates in a complex IT environment that involves substantial reliance on its IT systems which are extensively used in the operations of the Company for processing and recording voluminous data impacting key financial data including loans, interest income, repayment collections data and impairment of financial instruments. These IT systems are also extensively used in the financial reporting process. Adequate IT General Controls, application controls and access controls are required to ensure that such IT systems are able to process the data to ensure data consistency, accuracy and reliability especially for financial reporting. We have identified IT Systems and Controls impacting financial reporting as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture including its extensive use in the financial reporting process. Our audit outcome is dependent on the effective functioning of such IT systems.	We performed audit procedures set out below: • Obtained an understanding of the Company's business IT environment and key changes if any during the audit period that may be relevant to the audit. • Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis. • We have tested and reviewed on the sample basis computation performed by the IT systems including that of interest income. • We have placed reliance on audit report issued by the independent third-party auditor as appointed by the Company for review of Information Security and IT General Control. • We have also obtained management representations wherever considered necessary.

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

Emphasis of Matter

We draw attention to Note 64 to the Standalone Financial Statements where pursuant to the requirements of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors, during the year, the Company has carried out restatement of the comparative financial information for the year ended 31 March 2023, and reporting periods beginning 01 April 2022.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and The Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated when we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) "The Auditor's Responsibilities Relating to Other Information".

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

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

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



In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an 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 Standalone Financial Statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended;

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS 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 at March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended;

g) With respect to the adequacy of internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **'Annexure B'.**

3. 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:

a) the Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 41 to the Standalone Financial Statements as at March 31, 2024;

b) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2024;

c) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024; and

d) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the standalone financial statements (Refer Note 61 to the Standalone Financial Statements), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 notes to the accounts (Refer Note 61 to the Standalone Financial Statements), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

e) The Company has neither declared any dividend nor paid any dividend during the year.

M.P.CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

f) Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that audit trail feature is not enabled for direct changes to database in certain data tables at the database level. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act;

For M. P. Chitale & Co
Chartered Accountants
ICAI Firm Registration No.: 101851W





Sanat Ulhas Chitale
Partner
ICAI Membership No.: 143700
UDIN: 24143700BKFYEX9743

Place: Pune
Date: May 22, 2024

Annexure A to the Independent Auditors' Report – March 31, 2024

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report to the members of the Company of even date:

(i) (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment including intangible assets.

(b) In our opinion, the Company's program of physically verifying Property, Plant and Equipment once in three years, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, the physical verification of Property, Plant and Equipment were physically verified by the Company during the current year. We were informed that no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) classified as Property Plant and Equipment, are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

(e) According to the information and explanations given to us and based on management representations, there are no proceedings initiated or pending against the Company as at March 31, 2024, for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is in the business of providing micro finance loans and therefore, it does not hold any physical inventories. Accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions based on the security of current assets. According to the information and explanation given to us and the records examined by us, the quarterly returns, or statements, were not required to be filed by the Company during the year as these working capital limits utilised during the year were against liquid securities placed with such banks or financial Institutions

(iii) (a) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) The investments made, guarantees provided, security given and loans and advances granted in our opinion, prima facie, are not prejudicial to the interest of the Company.



(c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 2,21,925 cases having loan outstanding balance at year end aggregating to Rs. 18,363.31 Lakhs wherein the repayments of principal and interest are not regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where repayment of principal and interest have not been regular.

(d) In respect of loans granted by the Company, the total amount overdue for more than 90 days as at the balance sheet date are as under;

No. of cases	Principal overdue (Rs. Lakhs)	Interest overdue (Rs. Lakhs)	Total amount (Rs. Lakhs)
2,21,925	14,926.82	3,436.49	18,363.31

According to the information and explanation given to us and the records examined by us, the Company has taken reasonable steps to recover the principal and interest amount.

(e) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

(iv) There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are attracted. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, 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 Companies 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) According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended for the services of the Company, and, hence, reporting on clause 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, and on the basis of examination of the books of account of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amount payable was outstanding, at the year end, for a period of more than six months from the date they became payable.

M.P.CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

(b) According to records of the Company and the information and explanations given to us, there are no statutory dues as mentioned in sub clause vii(a) above which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Details of dues of Income Tax, which have not been deposited as at March 31, 2024, on account of dispute are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. in Lakhs)
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2015-16	1,124.50
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2016-17	1,978.91
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2017-18	1,348.79
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2020-21	1,953.49
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2021-22	501.38

(viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments made during the year under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, 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 as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

(c) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised, other than funds temporarily placed in Bank accounts and Bank Fixed Deposits aggregating to Rs.60,700 lakhs, pending utilization of funds as per respective sanction terms.

(d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been, prima facie, used for long term purposes during the year by the Company.

(e) The Company does not have subsidiary, associate or joint venture Company, accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have subsidiary, associate, or joint venture, accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

M.P.CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

(x) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not raised any money by way of an initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) According to information and explanation given to us, and on the basis of examination of the books and records of the Company, we have come across instances of frauds on the Company amounting to Rs. 2,015.71 Lakhs (Aggregate amount), which have been noticed and reported during the year.

(b) A report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(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 our audit procedures.

(xii) The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transaction with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports provided to us for the year under audit, and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

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

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial activities or Micro Finance activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India.

M.P.CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

(d) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year

(xviii) There has not been any resignation of the statutory auditors of the Company during the year hence reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. 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) Other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility ('CSR') to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amounts as at the end of the current financial year, to a Special account within a period of 30 days from the end of the current financial year in compliance with the provision of section 135(6) of the Act.

(xxi) Reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements of the Company. Accordingly, no Comment has been included in respect of the said clause under this report.

For M. P. Chitale & Co
Chartered Accountants
ICAI Firm Registration No.: 101851W

M. P. CHITALE & CO. FRN NO. 101851W CHARTERED ACCOUNTANTS

Sanat Ulhas Chitale
Partner
ICAI Membership No.: 143700
UDIN: 24143700BKFYEX9743

Place: Pune
Date: May 22, 2024

Annexure B to the Independent Auditors' Report – March 31, 2024

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

We have audited the Internal Financial Controls with reference to the Standalone Financial Statements of **Asirvad Micro Finance Limited** ('the Company') as at March 31, 2024, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

M.P.CHITALE & CO. FIRN NO. 101851W CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

For M. P. Chitale & Co
Chartered Accountants
ICAI Firm Registration No.: 101851W



Sanat Ulhas Chitale
Partner
ICAI Membership No.: 143700
UDIN: 24143700BKFYEX9743

Place: Pune
Date: May 22, 2024

Asirvad Micro Finance Limited

Balance Sheet as on March 31, 2024

CIN-U65923TN2007PLC064550

(All amounts in Rs. Lakhs unless otherwise stated)

	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I	**Assets**			
1	**Financial assets**			
	(a) Cash and cash equivalents	5	96,254.64	54,992.15
	(b) Bank balance other than those disclosed in (a) above	6	37,196.96	33,678.78
	(c) Loans	7(a)	10,29,534.74	8,66,889.56
	(d) Loans given to staff	7(b)	153.07	20.12
	(e) Investments	8	38,326.13	19,706.33
	(f) Derivative financial instruments	14	1,356.72	2,629.80
	(g) Other financial assets	9	13,826.85	12,283.84
	Total Financial assets		**12,16,649.11**	**9,90,200.58**
2	**Non-financial Assets**			
	(a) Current tax assets (net)	10	2,002.91	3,451.92
	(b) Deferred tax assets (net)	11 (a)	10,557.81	7,174.17
	(c) Investment property	12	8.64	8.64
	(d) Property, plant and equipment	12	7,670.26	7,011.91
	(e) Right of use asset	12	10,858.93	9,362.96
	(f) Other intangible assets	12	1,918.31	669.84
	(g) Intangible assets under development	12	-	-
	(h) Other non financial assets	13	1,381.94	1,278.18
	Total Non-financial assets		**34,398.80**	**28,957.62**
	Total Assets		**12,51,047.91**	**10,19,158.20**
II	**Liabilities and equity**			
1	**Financial liabilities**			
	(a) Derivative financial instruments	14	-	-
	(b) Other payables	15		
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,121.53	1,786.82
	(c) Debt securities	16	61,989.07	1,15,847.95
	(d) Borrowings (other than debt securities)	17	8,73,570.67	6,87,360.56
	(e) Subordinated liabilities	18	65,130.40	39,401.05
	(f) Other financial liabilities	19	30,677.78	17,413.04
	Total Financial liabilities		**10,33,489.45**	**8,61,809.42**
2	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	20 (a)	-	-
	(b) Provisions	20 (b)	1,179.90	1,048.00
	(c) Other non-financial liabilities	21	1,468.62	1,900.17
	Total Non-financial liabilities		**2,648.52**	**2,948.17**
3	**Equity**			
	(a) Equity share capital	22	20,028.34	6,264.02
	(b) Other equity	23	1,94,881.60	1,48,136.59
	Total Equity		**2,14,909.94**	**1,54,400.61**
	Total Liabilities and Equity		**12,51,047.91**	**10,19,158.20**
	Corporate Information and Material Accounting Policies	1-3		

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For M. P. CHITALE & Co
Chartered Accountants
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer

Aparna Menon
Company Secretary

Date: May 22, 2024
Place: Valapad

Asirvad Micro Finance Limited
Statement of Profit and Loss for the year ended March 31, 2024
CIN-U65923TN2007PLC064550

(All amounts in Rs. Lakhs unless otherwise stated)

	Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I	**Revenue from operations**			
	Interest income	24 (a)	2,51,408.75	1,54,523.78
	Net Gain on derecognition of financial instruments under amortised cost category	24 (b)	14,250.01	10,369.52
	Other operating income	25	2,472.68	6,626.23
	Total Revenue from operations		**2,68,131.44**	**1,71,519.53**
II	Other income	26	5,062.75	4,408.11
III	**Total income (I + II)**		**2,73,194.19**	**1,75,927.64**
IV	**Expenses**			
	Finance cost	27	94,741.32	62,984.76
	Impairment of financial instruments	28	46,372.95	27,368.43
	Employee benefit expenses	29	48,838.71	39,663.94
	Depreciation and amortisation expense	30	5,076.24	3,397.14
	Other expenses	31	16,001.49	11,420.73
	Total expenses (IV)		**2,11,030.71**	**1,44,835.00**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**62,163.48**	**31,092.64**
VI	**Exceptional items**		-	-
VII	**Profit / (Loss) before tax for the year (V- VI)**		**62,163.48**	**31,092.64**
VIII	**Tax expense**			
	(1) Current tax	11 (b)	19,448.50	6,318.30
	(2) Deferred tax charge / (credit)	11 (b)	(3,287.96)	2,194.56
	(3) Tax relating to earlier years	11 (b)	172.57	236.88
	Total Tax expense		**16,333.11**	**8,749.74**
IX	**Profit / (Loss) after tax for the year (VII - VIII)**		**45,830.37**	**22,342.90**
X	**Other comprehensive income**	23		
A	(i) Items that will not be reclassified to profit or loss:			
	a. Remeasurement gains and (losses) on defined benefit obligations (net)		(247.61)	(49.66)
	b. Fair value changes in equity instrument		(0.10)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		62.35	12.50
	Subtotal (A)		**(185.36)**	**(37.16)**
B	(i) Items that will be reclassified to profit or loss			
	a. Fair value changes on derivatives designated as cash flow hedge (net)		(411.51)	299.97
	b. Fair value changes on Investment held as FVOCI		241.86	(234.80)
	(ii) Income tax relating to items that will be reclassified to profit or loss		42.70	(16.40)
	Subtotal (B)		**(126.95)**	**48.77**
	Other comprehensive Income / (Loss) for the year (A + B)		**(312.31)**	**11.61**
XI	**Total comprehensive Income / (Loss) for the year (IX + X)**		**45,518.06**	**22,354.51**
XII	**Earnings per equity share (Face Value of Rs. 10/- per share)**	33		
	- Basic (Rs.)		23.24	12.84
	- Diluted (Rs.)		23.24	12.84
	Corporate Information and Material Accounting Policies	1-3		

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For M. P. CHITALE & Co
Chartered Accountants
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

M.P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer

Aparna Menon
Company Secretary

Date: May 22, 2024
Place: Valapad

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
Statement of Cash Flow for the year ended March 31, 2024
CIN-U65923TN2007PLC064550

(All amounts in Rs. Lakhs unless otherwise stated)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A	**Cash flow from operating activities**		
	Profit / (Loss) before tax for the year	**62,163.48**	**31,092.64**
	Adjustments for:		
	Depreciation and amortisation expense	5,076.24	3,397.14
	Impairment of financial instruments Amortisation of assets & Loss on derecognition of financial assets (Refer note no.10)	46,372.95	27,368.43
	Provision for insurance claim receivable	(82.67)	(176.24)
	Loss/(Profit) on sale of fixed assets (net)	0.34	-
	Finance cost	94,741.32	62,984.76
	Interest on deposits	(5,838.77)	(4,093.29)
	Share based payments to employees	0.64	(21.02)
	Operating profit before working capital changes	**2,02,433.53**	**1,20,552.42**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Loans	(2,06,513.79)	(3,51,402.67)
	Loans given to staff	(132.95)	(14.98)
	Other financial assets	(1,866.52)	(38.43)
	Other non financial assets	(103.76)	(198.18)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	334.71	(937.68)
	Other financial liabilities	4,675.21	(0.88)
	Other non financial liabilities	(431.55)	479.27
	Other provisions	(115.71)	(499.26)
	Net cash flow generated / (used in) operations	**(1,720.83)**	**(2,32,060.39)**
	Net Income tax paid	(18,172.06)	(6,433.10)
	Net cash generated / (used in) in operating activities (A)	**(19,892.89)**	**(2,38,493.49)**
B	**Cash flow from investing activities**		
	Proceeds from sale of property, plant and equipment	5.70	-
	Purchase of property, plant and equipment	(2,311.06)	(4,562.19)
	Purchase of other intangible assets	(1,777.72)	(667.24)
	Net movement in bank deposits	(3,518.08)	(20,814.51)
	Investments	(20,476.10)	(9,504.68)
	Interest income on deposits	5,838.66	3,800.18
	Net cash flow generated / (used in) from investing activities (B)	**(22,238.60)**	**(31,748.44)**
C	**Cash flow from financing activities**		
	Increase in Share Capital	412.11	932.84
	Increase in Security Premium	14,587.89	24,067.16
	Proceeds from long term borrowings - term loans	6,13,687.50	5,34,276.00
	Repayment of long term borrowings - term loans	(4,09,528.75)	(2,26,229.78)
	Interest paid on term loans	(67,891.73)	(40,194.16)
	Proceeds from long term borrowings - debentures	27,500.00	39,000.00
	Repayment of long term borrowings - debentures	(54,468.50)	(60,567.30)
	Interest paid on debentures	(17,250.24)	(13,113.33)
	Interest paid on securitisation	(3,931.84)	(224.90)

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Repayment of Over Draft	(10,018.62)	(10,018.62)
Interest paid on OD	(127.20)	(334.83)
Repayment of securitisation borrowings	(6,673.08)	-
Proceeds from short term borrowings - commercial paper	8,355.00	34,695.67
Repayment of short term borrowings - commercial paper	(8,355.00)	(34,695.67)
Interest paid on Commercial Borrowing	(145.01)	(476.45)
Processing and arranger Fee paid	(773.88)	-
Other interest and charges paid	(1,984.67)	(1,133.89)
Net cash flow generated / (used in) from financing activities (C)	**83,393.98**	**2,45,982.74**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	41,262.49	(24,259.19)
Cash and cash equivalents at the beginning of the year	54,992.15	79,251.34
Cash and cash equivalents at the end of the year (Refer Note 5)	**96,254.64**	**54,992.15**
Cash and cash equivalents as per above comprise of the following		
(a) Cash on hand	1,343.11	3,196.83
(b) Balances with banks		
- In current accounts	36,634.30	39,292.34
- In deposit accounts - with original maturity of less than 3 months	58,277.23	12,502.98
Balance as per statement of cash flow	**96,254.64**	**54,992.15**

Corporate Information and Material Accounting Policies 1-3

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For M. P. CHITALE & Co
Chartered Accountants
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer

Aparna Menon
Company Secretary

Date: May 22, 2024
Place: Valapad

Aahvaa Micro Finance Limited
Statement of changes in equity for the year ended March 31, 2024
CIN-U65923TN2007PLC064550

A. Equity Share Capital *(All amounts in ₹ Lakhs unless otherwise stated)*

Particular	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the reporting period	6,264.02	5,331.19
Changes in Equity Share Capital due to prior period errors	-	-
Changes in equity share capital during the current period / year	13,764.32	932.83
Balance at the end of the reporting period	**20,028.34**	**6,264.02**

B. Other Equity

(1) For the Year Ended March 31, 2024 *(All amounts in ₹ Lakhs unless otherwise stated)*

Particulars	Reserves and Surplus							Other Comprehensive Income					
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity Instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	Tax related to items that will not be reclassified	Total
Balance at the beginning of the current reporting period (As at April 01,2023)	79,878.05	14,491.48	500.00	53.53	113.78	53,031.00	(42.98)	655.36	0.65	(512.50)	(35.94)	4.16	**1,48,136.59**
Changes in accounting policy or prior period errors	-	-	-		-	-	-	-				-	-
Restated balance at the beginning of the current reporting period	79,878.05	14,491.48	500.00	53.53	113.78	53,031.00	(42.98)	655.36	0.65	(512.50)	(35.94)	4.16	**1,48,136.59**
Total Comprehensive Income for the current period	-	-	-	0.64	-	45,830.37	(247.61)	(411.51)	(0.10)	241.86	42.70	62.35	**45,518.70**
Issue of equity shares (Right Issue)	14,587.91	-	-	-	-	-	-	-	-	-	-	-	**14,587.91**
Issue of Bonus shares (Utilisation)	(13,352.22)	-	-	-	-	-	-	-	-	-	-	-	**(13,352.22)**
Transfer To/From	-	9,166.07	-	(37.24)	37.24	(9,166.07)	-	-	-	-	-	-	-
Reversal During the period	-	-	-	-	(9.38)	-	-	-	-	-	-	-	(9.38)
Balance at the end of the current reporting period(As at March 31,2024)	**81,113.74**	**23,657.55**	**500.00**	**16.93**	**141.64**	**89,695.30**	**(290.59)**	**243.85**	**0.55**	**(270.64)**	**6.76**	**66.51**	**1,94,881.60**

(2) For the Year Ended March 31, 2023

Particulars	Reserves and Surplus						Other Comprehensive Income						
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity Instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	OCI (Tax related to items that will not be reclassified)	Total
Balance at the beginning of the current reporting period(As at April 01,2022)-Annual	55,810.89	10,076.05	500.00		35.93	35,369.26	6.68	355.39			-89.45	-8.17	**1,02,056.58**
Changes in accounting policy or prior period errors	-	-53.15	-	143.96	25.91	-212.58	-	-	0.65	-277.70	69.91	-0.17	**-303.17**
Restated balance at the beginning of the current reporting period	55,810.89	10,022.90	500.00	143.96	61.84	35,156.68	6.68	355.39	0.65	-277.70	-19.54	-8.34	**1,01,753.41**
Total Comprehensive Income for the current year	-	-	-	-	-	22,342.90	-49.66	299.97	-	-234.80	-16.40	12.50	**22,354.52**
Issue of share capital	24,067.16	-	-	-	-	-	-	-	-	-	-	-	**24,067.16**
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To/From	-	4,468.58	-	-69.41	69.41	-4,468.58	-	-	-	-	-	-	-
Reversal During the Year	-	-	-	-21.02	-17.47	-	-	-	-	-	-	-	**-38.49**
Balance at the end of the current reporting period(As at March 31,2023)	**79,878.05**	**14,491.48**	**500.00**	**53.53**	**113.78**	**53,031.00**	**-42.98**	**655.36**	**0.65**	**-512.50**	**-35.94**	**4.16**	**1,48,136.59**

The accompanying notes from 1 to 68 form an integral part of the Financial Information
This is the statement of changes in equity referred to in our report of even date

For M. P. CHITALE & Co
Chartered Accountants
ICAI Firm Registration No. 101851W

Sanat Uthaya Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Aahvaa Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

Rajesh KRN Namboodiripad
Chief Financial Officer

Date: May 22, 2024
Place: Valapad

B N Ravendra Babu
Managing Director
(DIN No.00043622)

Aparna Menon
Company Secretary

1 Corporate information

Asirvad Micro Finance Limited was incorporated in August 29, 2007 under the provisions of Companies Act, 1956. The Company is a Non-Banking Financial Company - Systemically Important Non-Deposit taking Company – Microfinance Institution (NBFC-MFI). The company is registered as a Microfinance Institution under the Non Banking Financial Company-Micro Finance Institution (Reserve Bank) Directions, 2011 as amended, vide RBI letter dated October 04, 2013 with Registration Number N-07-00769 dated October 04, 2013.The company's registered address is 9th Floor, No 9, Club House Road, Anna Salai, Chennai - 600002

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. The Company provides small value collateral free loans with fortnightly/monthly repayments. The company follows the Grameen Model with suitable adoptions using the group where each member is responsible for the loan repayment of the other members of the group.
In addition to the core business of providing micro-credit, the company also provides secured loans to Micro Small and Medium Enterprise ('MSME') and also provides gold loans.

2 Basis of preparation and presentation of financial information

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

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

Pursuant to the requirements of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors, during the year, the Company has carried out restatement of the comparative financial information and the impact of such restatement on the financial statement for the year ended 31 March 2023, and reporting periods beginning 01 April 2022 is provided in the Note 64 of the accompanying financial statements, thereby providing reliable and more relevant information about the company's financial position, financial performance or cash flows.

(ii) Historical cost convention

The restated financial information have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the restated financial information have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(iii) Critical accounting estimates and judgements

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

Business model assessment

The Company determines the business model at a level that reflects how the 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 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 accordingly prospective change to the classification of those assets are made.

Defined employee benefit assets and liabilities

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

Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the restated statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Company makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance.

Provisions

Provisions created in respect of a range of future obligations such as litigation. Some of the provisions involve significant judgment about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate, which reflects both current interest rates and the risks specific to that provision.

M. P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Useful lives of depreciable/ amortisable assets
Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of asset.

3 Summary of material accounting policies

(a) Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the Straight Line Method over the useful life of the assets as prescribed under Part 'C' of Schedule II, which is also the the management's estimates of useful lives of such assets.

Asset class	Useful Life
Furniture and Fixtures including Electrical fittings	10
Leasehold Improvements	5
Office Equipment	5
Vehicles	8
Computers and others	3

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is de-recognised.

(b) Investment Property

Initial recognition and measurement

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

De-recognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognised.

(c) Intangible assets

Initial recognition and measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation method, useful lives and residual value)

Intangible assets are amortised over a period of three years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost.
Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and repair the asset to be capable of operating in the manner intended by management. These are recognised as assets when the company demonstrate following recognition requirements:

a. The development costs can be measured reliably
b. The project is technically and commercially feasible
c. The company intends to and has sufficient resources to complete the project
d. The company has the ability to use or sell such intangible asset
e. The asset will generate probable future economic benefits.

(d) Revenue recognition

Interest and processing fee income on loans

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

M.P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets regarded as 'Stage 3', the Company recognizes interest income on the net amortized cost of financial assets at EIR. If financial asset is no longer credit-impaired, Company reverts to calculating interest income on a gross basis

Overdue interest is recognized only when it is reasonably certain that the ultimate collection will be made.

Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

Referral income

Income from cross sale services is recognized on accrual basis when the service is rendered taking into account the number of units sold at the rates applicable according to the terms of the agreement.

Interest on fixed deposits

Interest income on deposits with banks is recognized in time proportion basis taking into account the amount outstanding and the rate applicable using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

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

(e) Finance cost

Finance cost consists of interest and other cost that the Company incurred in connection with the borrowing of funds. All other finance costs are charged to the statement of profit and loss as incurred basis the effective interest rate method.

(f) Taxation

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

(g) Employee benefits

Defined contribution plan

(i) Provident fund

This is a defined contribution plan where contributions are remitted to provident fund authorities in accordance with the relevant statute and charged to the Statement of Profit and Loss in the period in which the related employee services are rendered. The Company has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

Defined benefit plan

(i) Gratuity

The liability recognised in the restated balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

(ii) Compensated absences

The Company provides benefit of compensated absences under which unavailed leave are allowed to be accumulated to be availed in future. The compensated absences comprises of both vesting and non vesting benefit. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period.

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Short-term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share based payments

The Company has formulated an Employees Stock Option Scheme. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity.

The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

(h) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

(i) Impairment of financial assets

The Expected Credit Loss (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 12m ECL 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. Both LTECLs and 12m ECLs are calculated on a collective basis for identified homogenous pool of loans.

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (0-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.

- Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The ECL is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) is based on the amounts the Company expects to be owed at the time of default. Management overlay is included in determining the lifetime ECL. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss account.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

(k) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

M.P.CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED ★

Contingent liability is disclosed for:
- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

(l) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(m) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:
a. Amortized cost
b. Fair Value Through Other Comprehensive Income (FVTOCI) or
c. Fair Value Through Profit or Loss (FVTPL).
All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) Financial asset carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:
(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:
(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and selling financial assets
(b) The contractual terms of the financial asset meet the SPPI test.

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

M.P.CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(iii) Financial assets carried at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or
b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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. If the Company retains the right to service the financial asset for a fee, it recognises either a service asset or a service liability for that servicing contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the company adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

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 that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

Classification and Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial instruments

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

(n) Derivative financial instruments

The Company enters into derivative financial instruments, cross currency swaps, to manage its borrowing exposure to foreign exchange.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

M.P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

Hedge Accounting

Hedges that meet the criteria for hedge accounting are accounted for, as described below: Cash Flow Hedges
A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.
For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as Finance Cost in the statement of profit and loss.
When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss.
When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

(o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

(p) Segment reporting

The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

(q) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non- monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

(r) Securitisation and direct assignment

The securitised assets where the Company has not transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall not be de-recognized and proceeds received from securitisation shall be recognised as borrowings and interest thereon shall be recognised as finance cost.

The direct assignment transaction where the Company has transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall be de-recognized. Similarly, the gain on sale of assets arising from a direct assignment transactions, has been recognised on de-recognition as interest only strip.

(s) Statement of cash flows

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

4 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

M.P. CHITALE & CO. * CHARTERED ACCOUNTANTS * FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

		As at March 31, 2024	As at March 31, 2023
5	**Cash and cash equivalents**		
	(a) Cash on hand	1,343.11	3,196.83
	(b) Balances with banks		
	- In current accounts	36,634.30	39,292.34
	- In deposit accounts - not covered under lien (less than 3 months)	58,277.23	12,502.98
		96,254.64	**54,992.15**
5.1	Of the above, the balances that meet the definition of cash and cash equivalents as per Ind AS 7 cash flow statements	96,254.64	54,992.15
6	**Bank balance other than those disclosed in (a) above (Also, refer note 17.1)**		
	Balances with Banks		
	- In Deposit Accounts - not covered under lien (3 months & above)	533.05	105.66
	- In Deposit Accounts - under lien (Refer note 6.1 below)	36,663.91	33,573.12
		37,196.96	**33,678.78**

6.1 Deposit accounts under lien comprise of:

Deposits (excluding accrued interest) amounting to Rs. 31,317.74 Lakhs (at March 31, 2023 Rs. 30,799.60 Lakhs) have been placed with certain banks for obtaining term loans.
Deposits (excluding accrued interest) amounting to Rs 4,301.56 Lakhs (As at March 31, 2023 Rs. 1,627.40 Lakhs) are placed as credit enhancement (cash collateral) towards PTC transactions.

7(a)	**Loans (at amortised cost)**		
	Loans	**10,63,019.10**	**8,92,044.47**
	Less : Impairment loss allowance	**33,484.36**	**25,154.91**
	Total	**10,29,534.74**	**8,66,889.56**
	(i) Secured		
	Loans	97,358.70	74,262.26
	Less : Impairment loss allowance	488.21	381.03
	Sub Total	**96,870.49**	**73,881.23**
	(ii) Unsecured		
	Loans	9,65,660.40	8,17,782.20
	Less : Impairment loss allowance	32,996.15	24,773.87
	Sub Total	**9,32,664.25**	**7,93,008.33**
	Grand Total	**10,29,534.74**	**8,66,889.56**
7(b)	**Loans given to staff (at amortised cost)**		
	Loans to Staff	153.07	20.12
		153.07	**20.12**

7.1

Particulars	As at March 31, 2024	As at March 31, 2023
The loan receivables reflected above excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognisation as per Ind AS 109. The amounts given are net of minimum retention retained in the books	1,23,415.19	1,05,803.35

7.2

Particulars	As at March 31, 2024	As at March 31, 2023
Provisions as per RBI Income Recognition, Asset Classification and Provisioning Norms (IRACP norms)	20,534.29	9,912.56
Provisions as per ECL model under Ind AS 109	33,484.36	25,154.91
Amount recorded in the books	33,484.36	25,154.91

As at March 31, 2024

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109*	Net Carrying amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
(A)	(B)	(C)	(D)	E = (C-D)	(F)	
Performing assets						
Standard	Stage 1	9,99,063.14	9,931.49	9,89,131.65	4,125.07	5,806.42
	Stage 2	20,097.55	1,264.22	18,833.33	81.84	1,182.38
Non Performing Assets (NPA)						
Substandard	Stage 3	42,318.57	21,431.32	20,887.25	15,407.10	6,024.22

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

Doubtful						
Up to one year	Stage 3	1220.57	618.13	602.44	543.32	74.81
1 to three year	Stage 3	373.74	189.27	184.47	278.36	-89.09
More than three year	Stage 3	98.60	49.93	48.67	98.60	-48.67
Subtotal for doubtful		**1692.91**	**857.33**	**835.58**	**920.28**	**-62.95**
Total	Stage 1	**9,99,063.14**	**9,931.49**	**9,89,131.65**	**4,125.07**	**5,806.42**
	Stage 2	**20,097.55**	**1,264.22**	**18,833.33**	**81.84**	**1,182.38**
	Stage 3	**44,011.48**	**22,288.65**	**21,722.83**	**16,327.38**	**5,961.27**
Total		**10,63,172.17**	**33,484.36**	**10,29,687.81**	**20,534.29**	**12,950.07**

As at March 31, 2023

Asset classification as per RBI norms	**Asset classification as per Ind AS 109**	**Gross carrying amount as per Ind AS**	**Loss allowances (provisions) as required under Ind AS 109***	**Net Carrying amount**	**Provisions required as per IRACP norms**	**Difference between IND AS 109 provisions and IRACP norms**
(A)	(B)	(C)	(D)	E = (C-D)	(F)	
Performing assets						
Standard	Stage 1	8,47,060.61	7,995.61	8,39,065.00	3,454.40	4,541.21
	Stage 2	18,120.41	1,610.86	16,509.55	73.40	1,537.46
Non Performing Assets (NPA)						
Substandard	Stage 3	26,092.14	15,124.95	10,967.19	5,764.98	9,359.97
Doubtful						
Up to one year	Stage 3	713.92	377.17	336.75	545.86	-168.69
1 to three year	Stage 3	23.14	13.52	9.62	19.48	-5.96
More than three year	Stage 3	54.37	32.80	21.57	54.41	-21.61
Subtotal for doubtful		**791.43**	**423.49**	**367.94**	**619.75**	**-196.26**
Total	**Stage 1**	**8,47,060.61**	**7,995.61**	**8,39,065.00**	**3,454.40**	**4,541.21**
	Stage 2	**18,120.41**	**1,610.86**	**16,509.55**	**73.40**	**1,537.46**
	Stage 3	**26,883.57**	**15,548.44**	**11,335.13**	**6,384.73**	**9,163.71**
Total		**8,92,064.59**	**25,154.91**	**8,66,909.68**	**9,912.53**	**15,242.38**

* The Loss Allowance Provision on all stages including Stage 3 is computed on Outstanding Balance i.e Principal Outstanding + Accrued Interest of advances before giving effect of Ind AS adjustments.

7.3 The Stage wise break of loans reflected above (Refer Note 7a and 7b) is given below :

(A) As at March 31, 2024

Loan Receivables	**Stage 1: 0-30 days**	**Stage 2: 31-90 days**	**Stage 3: >90 days**
i. Loans considered as Qualifying	8,86,521.19	19,637.48	40,658.76
ii. Loans considered as Non Qualifying Assets	1,12,541.95	460.07	3,352.72
Gross Carrying Amount of Loans	**9,99,063.14**	**20,097.55**	**44,011.48**
Less : Impairment loss allowance	9,931.49	1,264.22	22,288.65
Net Loans	**9,89,131.65**	**18,833.33**	**21,722.83**

(B) As at March 31, 2023

Loan Receivables	**Stage 1: 0-30 days**	**Stage 2: 31-90 days**	**Stage 3: >90 days**
i. Loans considered as Qualifying	7,54,845.18	17,440.48	25,559.46
ii. Loans considered as Non	92,215.44	679.93	1,324.10
Gross Carrying Amount of Loans	**8,47,060.62**	**18,120.41**	**26,883.56**
Less : Impairment loss allowance	7,995.61	1,610.86	15,548.44
Net Loans	**8,39,065.01**	**16,509.55**	**11,335.12**

7.4 Reconciliation of impairment allowance on Loans

Particulars	**Amount**
Impairment allowance as at 1 April 2022	**35,374.40**
Add: Impairment allowance provided in statement of Profit & Loss	27,368.42
Less: Impairment allowance Utilised for writing off assets	11,206.00
Less: Impairment allowance Utilised for porfolio sold to ARC	26,367.11
Less: Impariment allowance provided for receivables from resigned employees	14.80
Impairment allowance as at March 31, 2023	**25,154.91**
Add: Impairment allowance provided in statement of Profit & Loss	46,372.95
Less: Impairment allowance Utilised for writing off Loss assets	16,915.43
Less: Impairment allowance Utilised for porfolio sold to ARC	18,450.26

M.P. CHITALE & CO. * FRN NO 101851W * CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

Less: Impariment allowance provided for receivables from resigned employees	406.18
Less: Impariment allowance provided for other Financial Assets	70.41
Less: Impariment allowance provided for Security deposit	103.06
Less: Impariment allowance provided for Security Receipts	2,098.16
Impairment allowance as at March 31, 2024	**33,484.36**

7.5 Disclosure for securitisation of Standard Assets outstanding as on reporting date as per RBI circular no.DOR.STR.REC.53/21.04.177/2021-22 dated September, 24, 2021.

Particulars	As at March 31 2024	As at March 31, 2023
(i) No of SPVs sponsored by the NBFC for securitisation transactions		
a.Through Direct assignment	37	28
b.Through PTC	6	3
Total	**43**	**31**
(ii) Total amount of securitised assets as per books of the SPVs Sponsored		
a.Through Direct assignment	1,21,775.14	1,05,541.63
b.Through Pass through Ceritificates	42,033.13	43,041.45
Total	**1,63,808.27**	**1,48,583.08**
(iii) Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
First loss	13,523.92	11,953.65
Others	-	-
a. Pass through Ceritificates	-	-
Others	-	-
(iv) Amount of exposures to securitisation transactions Other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitizations		
First loss	-	-
Others	-	-
	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-

7.6 Details of Financial Assets sold to Securitisation Company

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total number of loan assets securitized during the year		
a.Through Direct assignment	5,78,232	3,81,103
b.Through PTC	1,44,023	1,37,956
	7,22,255	**5,19,059**
Book value of loan assets securitized during the year		
a.Through Direct assignment	2,12,372.05	1,25,725.33
b.Through PTC	53,410.70	52,189.86
	2,65,782.75	**1,77,915.19**
Sale consideration received during the year		
a.Through Direct assignment	1,91,134.85	1,13,153.55
b.Through PTC	47,164.27	45,175.58
	2,38,299.12	**1,58,329.13**
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised		
a.Through Direct assignment	21,237.21	12,571.78
b.Through PTC	6,246.43	7,014.28

M.P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

	27,483.64	**19,586.06**
Gain / (loss) on the securitization transaction recognised in P&L		
Through PTC & Direct assignment	14,250.01	10,369.52
Gain / (loss) on the securitization transactions deferred		-
Through PTC & Direct assignment	-	-
	14,250.01	**10,369.52**
Quantum of Credit Enhancement provided on the transactions in the form of deposits		
a.Through Direct assignment	-	-
b.Through PTC	2,018.40	2,283.17
	2,018.40	**2,283.17**
Quantum of Credit Enhancement as at year end		
a.Through Direct assignment	21,237.21	-
b.Through PTC	6,482.39	2,283.17
	27,719.60	**2,283.17**
Interest spread Recognised in the Statement of Profit and Loss during the Year		
a.Through Direct assignment	14,250.01	10,369.52
b.Through PTC	-	-
	14,250.01	**10,369.52**

Note : The securitised loans through PTC disclosed in the above notes, i.e 7.5 and 7.6 do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

7.7 No disclosure has been presented as per RBI notification RBI/2019-20/220 DOR.No.BP.DC.63/21.04,048/2020-21 Dated: April 17, 2020; as the balances are Nil.

		As at March 31, 2024	As at March 31, 2023
8	**Investments**		
	Investments at fair value through other comprehensive income		
	Outside India		-
	In India		
	(i) Unquoted Equity instruments	5.75	5.65
	(ii) Investment in Government Securities	19,487.32	10,195.96
	Sub Total	**19,493.07**	**10,201.61**
	Investments at fair value through Profit or Loss		
	Outside India	-	-
	In India		
	(i) Investment in Security Reciepts	20,477.26	9,504.72
	(ii) Investment in Pass Through Certificates	453.80	-
	Sub Total	**20,931.06**	**9,504.72**
	Gross Total	**40,424.13**	**19,706.33**
	Less : Allowance for impairment loss	2,098.00	-
	Total	**38,326.13**	**19,706.33**
9	**Other financial assets**		
	(a) Security deposits	901.81	983.42
	(b) Unamortised Income On Direct assignment	6,591.04	4,640.16
	(c) Others*	6,334.00	6,660.26
		13,826.85	**12,283.84**
	** (Also, refer note 53 for ageing of Trade receivables)*		
10	**Current tax assets (net)**		
	Advance income tax	2,002.91	3,451.92
		2,002.91	**3,451.92**
11 (a)	**Deferred tax assets (net)**		
	Deferred tax assets (net)	10,557.81	7,174.17
		10,557.81	**7,174.17**

M.P.CHITALE & CO. * CHARTERED ACCOUNTANTS * FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

11 (b) Current tax and deferred tax

(i) Income tax expense

Particulars	March 31, 2024	March 31, 2023
(a) Current tax in respect of current year	19,448.50	6,318.30
(b) Deferred tax relating to origination and reversal of temporary differences	(3,287.96)	2,194.56
(c) Tax relating to earlier year	172.57	236.88
Total tax expense recognised in statement of profit and loss	**16,333.11**	**8,749.74**

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	March 31, 2024	March 31, 2023
Profit Before tax from operations	62,163.48	31,092.64
Income Tax using the company's domestic Tax rate #	15,646.55	7,826.02
Effect of income exempt from tax	-	-
Effect of other permanent differences	660.90	113.05
Effect on utilisation of accumulated losses during the year	-	-
Effect of change in tax rate	-	-
Effect of deferred tax remeasurement	(146.91)	573.79
Effect of change in previous year tax amount	172.57	236.88
Income tax recognised in the statement of profit & loss	**16,333.11**	**8,749.74**

The tax rate used for the year ended March 31, 2024 and March 31, 2023 reconciliations above are the Corporate tax rate of 22%, applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income tax act.

(iii) Income tax on other comprehensive income

Particulars	March 31, 2024	March 31, 2023
Deferred tax		
Remeasurement of defined benefit obligation	(62.32)	(12.50)
Fair value changes on Equity Investment held as FVOCI	(0.03)	-
Fair value changes on derivatives designated as cash flow hedge (net)	(103.58)	75.50
Fair value changes on Other Investment held as FVOCI	60.88	(59.10)
Total	**(105.05)**	**3.90**

(iv) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet

Particulars	For the year ended March 31, 2024				
	Opening Balance	(Charge)/Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/deferred Tax liability :					
Property, plant and equipment	145.64	196.38	-	-	342.02
Provision for employee benefits	669.53	849.06	62.32	-	1,580.91
Provision for loan receivables	6,221.52	1,639.32	-	-	7,860.84
Provision for fraud insurance claim receivable	282.40	208.75	-	-	491.15
Effective interest rate on borrowings	85.40	157.91	-	-	243.31
Present value discounting of security deposit and documentation fee	748.66	294.78	-	-	1,043.44
Effect of implementation of Ind AS 116	331.06	242.92	-	-	573.98
Effective interest rate on DA and PTC loans	(1,287.46)	(301.31)	-	-	(1,588.77)
ESOP Contribution	13.54	0.16	-	(9.38)	4.32
Equity Investment held as FVOCI	(0.17)	-	0.03	-	(0.14)
Gain / loss on hedge valuation	(164.95)	-	103.58	-	(61.37)
Investment held as FVOCI	129.00	-	(60.88)	-	68.12
Total	**7,174.17**	**3,287.97**	**105.05**	**(9.38)**	**10,557.81**

Particulars	For the year ended March 31, 2023				
	Opening Balance	(Charge) / Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/deferred Tax liability :					
Property, plant and equipment	635.50	(489.86)	-	-	145.64
Provision for employee benefits	824.93	(167.90)	12.50	-	669.53
Provision for loan receivables	8,815.83	(2,594.31)	-	-	6,221.52
Provision for fraud insurance claim receivable	179.34	103.06	-	-	282.40
Effective interest rate on borrowings	78.99	6.41	-	-	85.40
Present value discounting of security deposit and documentation fee	570.67	177.99	-	-	748.66
Effect of implementation of Ind AS 116	134.80	196.26	-	-	331.06
Effective interest rate on DA and PTC loans	(1,866.49)	579.03	-	-	(1,287.46)
ESOP Contribution	36.34	(5.33)	-	(17.47)	13.54
Equity Investment held as FVOCI	(0.17)	-	-	-	(0.17)
Cash flow hedge Reserve	(89.45)	-	(75.50)	-	(164.95)
Investment held as FVOCI	69.90	-	59.10	-	129.00
Total	**9,390.19**	**(2,194.65)**	**(3.90)**	**(17.47)**	**7,174.17**

M.P.CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

12 Property, plant and equipment, other intangible assets, Right of use assets and Intangible assets under development

		Property, plant and equipment										
Particulars	**Investment Property - Land**	**Computers**	**Furnitures & Fixtures**	**Leasehold Improvements**	**Office Equipments**	**Vehicles**	**Freehold Land**	**Building**	**Total**	**Right of use asset**	**Other intangible assets- Softwares**	**Intangible assets under development**
Gross block												
As at 1 April 2022	**8.64**	**3,027.51**	**2,856.25**	**185.98**	**1,940.47**	**82.26**	-	-	**8,092.47**	**8,585.80**	**811.22**	**94.18**
Additions	-	1,368.00	1,548.76	219.67	1,425.76	-	-	-	4,562.19	4,250.90	667.24	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	(94.18)
As at 31 March 2023	**8.64**	**4,395.51**	**4,405.01**	**405.65**	**3,366.23**	**82.26**	-	-	**12,654.66**	**12,836.70**	**1,478.46**	-
Additions		748.98	680.78	30.42	630.58	-	93.44	126.86	2,311.06	4,390.52	1,777.72	-
Disposals		(0.37)	(2.64)	-	(2.69)	-	-	-	(5.70)	-	-	-
As at 31 March 2024	**8.64**	**5,144.12**	**5,083.15**	**436.07**	**3,994.12**	**82.26**	**93.44**	**126.86**	**14,960.02**	**17,227.22**	**3,256.18**	-
Accumulated depreciation/amortisation:												
As at 1 April 2022	-	**2,487.09**	**1,117.03**	**185.08**	**816.47**	**63.77**	-	-	**4,669.44**	**1,189.35**	**669.18**	-
Depreciation/Amortisation expense	-	417.45	250.94	24.55	275.39	4.98	-	-	973.31	2,284.39	139.44	-
Eliminated on Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2023	-	**2,904.54**	**1,367.97**	**209.63**	**1,091.86**	**68.75**	-	-	**5,642.75**	**3,473.74**	**808.62**	-
Depreciation/Amortisation expense	-	749.54	382.18	50.19	465.91	4.05	-	0.56	1,652.43	2,894.55	529.25	-
Eliminated on Disposal of Assets	-	(0.37)	(2.63)	-	(2.42)	-	-	-	(5.42)	-	-	-
Depreciation Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2024	-	**3,653.71**	**1,747.52**	**259.82**	**1,555.35**	**72.80**	-	**0.56**	**7,289.76**	**6,368.29**	**1,337.87**	-
Net block												
As at 31 March 2023	8.64	1,490.97	3,037.04	196.02	2,274.37	13.51	-	-	7,011.91	9,362.96	669.84	-
As at 31 March 2024	8.64	1,490.41	3,335.63	176.25	2,438.77	9.46	93.44	126.30	7,670.26	10,858.93	1,918.31	-

Also refer Note 55 for Intangible Assets Under Development

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
Notes forming part of the financial statements

(All amounts in Rs. Lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
13 Other non financial assets		
(a) Goods & service tax credit (input) receivable	428.58	341.34
(b) Prepaid expenses	896.00	894.41
(c) Capital advances	11.17	9.74
(d) Opex advances	43.41	6.96
(e) Others	2.78	25.73
	1,381.94	**1,278.18**



(All amounts in Rs. Lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
14 Derivative financial instruments (Also, refer note 42.14)		
Currency derivatives		
Cross Currency Interest rate swap		
- Notional Amount (Respective Currency converted at closing exchange rate)		
- Fair Value Asset	1,356.72	2,629.80
- Fair Value Liabilities	-	-
Total Notional	**10,004.88**	**34,734.55**
Total Fair Value Assets	**1,356.72**	**2,629.80**
Total Fair Value Liabilities	**-**	**-**

Note: All the above derivative instruments are held for hedging and risk management purpose

15 Other payables		
(a) Total outstanding dues of micro enterprises and small enterprises (Also, refer note 40)	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (Also, refer note no 54 for trade payables ageing)	2,121.53	1,786.82
	2,121.53	**1,786.82**

There are no dues payable as at March 31,2024 and March 31, 2023 to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

16 Debt securities (At amortised cost)		
(a) Redeemable non-convertible debentures		
- Secured	60,824.87	1,07,075.54
- Unsecured	1,164.20	8,772.41
(b) Commercial papers (Unsecured) (Refer Note 17.3)	-	-
	61,989.07	**1,15,847.95**
(i) Debt securities in India	61,989.07	1,15,847.95
(ii) Debt securities outside India	-	
Also, refer note 17.4	**61,989.07**	**1,15,847.95**

17 Borrowings (other than debt securities) (At amortised cost)		
(a) Secured		
- Term loan from banks	7,98,760.81	5,68,464.74
- Term loan from NBFCs	26,788.30	25,773.90
- Other financial institutions	9,828.53	34,463.03
	8,35,377.64	**6,28,701.67**
(b) Unsecured		
- Term loan from NBFCs	1,997.08	15,789.87
(c) Borrowings under securitisation arrangement	36,195.95	42,869.02
Total (a)+(b)+(c)	**8,73,570.67**	**6,87,360.56**
Borrowings in India	8,63,742.14	6,52,897.53
Borrowings outside India	9,828.53	34,463.03
	8,73,570.67	**6,87,360.56**

M.P. CHITALE & CO. * CHARTERED ACCOUNTANTS * FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

17.1 Security on term loans from banks and others (Also, refer note 6)

All loans are secured by hypothecation of Micro Finance Loans. Further, the Company has provided a specific lien on deposits with Banks (Refer (a) below) and also have deposits with other NBFCs for Term Loans (Refer (b) below)

(a) Deposits with Banks & Others	36,663.91	33,573.12
(b) Deposits with NBFCs	-	-
	36,663.91	**33,573.12**

17.2 Details of cash credit from bank - Secured

(a) The cash credit facility is secured by hypothecation of Microfinance Loans
(b) The Company has not defaulted in the repayment of dues to Banks and NBFC's.
(c) The details of interest rate, tenor, repayment terms of the Short Term Borrowings are as follows:

Particulars	Interest Rate	March 31, 2024	March 31, 2023
Cash Credit	8.70%	600.00	-

17.3 (i) Details of commercial paper - Unsecured

Particulars	Tenor (Days)	Interest Rate	March 31, 2024	March 31, 2023
-	-	-	-	-

(ii) Details of commercial paper issued/repaid during the current year ended March 31, 2024

Particulars	Tenor (Days)	Discount rate (per annum)	Date of Transaction
Northern Arc Money Market Alpha Trust (Repaid)	67	8.65%	24-04-2023
Super Auto Forge Private Limited (Repaid)	91	8.30%	22-11-2023
Venkatesh Ramarathinam (Repaid)	91	8.30%	22-11-2023

Details of commercial paper issued/repaid during the current year ended March 31, 2023

Particulars	Tenor (Days)	Discount Rate (per annum)	Date of Transaction
SBI Mutual Fund (Repaid)	52	7.75%	23-08-2022
SBI Mutual Fund (Repaid)	56	7.75%	23-08-2022
SBI Mutual Fund (Repaid)	57	8.65%	31-10-2022
Northern Arc Money Market Alpha Trust (Repaid)	90	8.65%	23-11-2022

M.P.CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

(All amounts in Rs. Lakhs unless otherwise stated)

17.4 Details of terms of repayment- Debentures and subordinated liabilities

ISIN No	Type of NCD	No. of Debentures As at		Face value	Interest rate	Due date of redemption	Closing balance As at	
		March 31, 2024	March 31, 2023				March 31, 2024	March 31, 2023
INE516Q08422	Sub Debt	15,000	-	1,00,000.00	11.25%	16-May-29	15,000.00	-
INE516Q08331	Sub Debt	10,000	10,000	1,00,000.00	11.90%	26-Jun-26	10,000.00	10,000.00
INE516Q08430	Sub Debt	10,000	-	1,00,000.00	11.25%	07-Jul-30	10,000.00	-
INE516Q08372	Sub Debt	5,000	5,000	1,00,000.00	13.50%	31-Dec-27	5,000.00	5,000.00
INE516Q07465	Other Than Sub Debt	2,500	-	1,00,000.00	9.30%	20-Jan-26	2,500.00	-
INE516Q08414	Sub Debt	2,500	2,500	1,00,000.00	11.25%	31-Mar-29	2,500.00	2,500.00
INE516Q07424	Other Than Sub Debt	1,450	1,450	10,00,000.00	11.05%	15-Sep-26	14,500.00	14,500.00
INE516Q07457	Other Than Sub Debt	1,150	1,150	10,00,000.00	8.50%	28-Sep-24	11,500.00	11,500.00
INE516Q07440	Other Than Sub Debt	1,000	1,000	10,00,000.00	9.60%	12-Sep-24	10,000.00	10,000.00
INE516Q07432	Other Than Sub Debt	750	750	10,00,000.00	9.70%	09-May-24	7,500.00	7,500.00
INE516Q07416	Other Than Sub Debt	730	730	10,00,000.00	11.05%	27-Feb-25	7,300.00	7,300.00
INE516Q08380	Sub Debt	550	550	10,00,000.00	13.50%	31-May-27	5,500.00	5,500.00
INE516Q07382	Other Than Sub Debt	500	-	7,50,000.00	9.22%	30-Mar-25	3,750.00	-
INE516Q08356	Other Than Sub Debt	350	-	3,33,333.00	11.40%	31-Dec-24	1,166.67	-
INE516Q08398	Sub Debt	100	100	1,00,00,000.00	11.25%	03-Oct-28	10,000.00	10,000.00
INE516Q08406	Sub Debt	50	50	1,00,00,000.00	11.25%	25-Nov-28	5,000.00	5,000.00
INE516Q07283	Other Than Sub Debt	-	750	10,00,000.00	10.50%	28-Apr-23	-	7,500.00
INE516Q07291	Other Than Sub Debt	-	450	10,00,000.00	11.00%	29-May-23	-	4,500.00
INE516Q07309	Other Than Sub Debt	-	500	1,66,666.00	11.25%	21-Apr-23	-	833.33
INE516Q07317	Other Than Sub Debt	-	850	10,00,000.00	11.00%	26-Jun-23	-	8,500.00
INE516Q07382	Other Than Sub Debt	-	500	8,80,000.00	9.22%	30-Mar-25	-	4,400.00
INE516Q07390	Other Than Sub Debt	-	606	10,00,000.00	9.65%	13-Jul-23	-	6,060.00
INE516Q07408	Other Than Sub Debt	-	1,726	10,00,000.00	9.71%	29-Jan-24	-	17,260.00
INE516Q08158	Sub Debt	-	150	10,00,000.00	12.42%	28-Jun-23	-	1,500.00
INE516Q08281	Other Than Sub Debt	-	50,000	10,000.00	11.63%	30-May-24	-	5,000.00
INE516Q08356	Other Than Sub Debt	-	350	6,66,666.00	11.40%	31-Dec-24	-	2,333.33
INE516Q08364	Other Than Sub Debt	-	450	3,33,333.00	10.00%	23-Feb-24	-	1,500.00

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

17.5 Details of terms of repayment - term loans from bank and others

As at year ended March 31, 2024

Tenure	Repayment	Interest Range	Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above5years	
			No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
1 to 3 year	Bullet	7%-9%	-	-	-	-	1	25,000.00	-	-	-	-	-	-
		9%-11%	2	2,000.00	1	1,000.00	-	-	-	-	-	-	-	-
	Monthly	5%-7%	12	5,896.28	-	-	-	-	-	-	-	-	-	-
		7%-9%	20	3,833.33	5	1,041.67	-	-	-	-	-	-	-	-
		9%-11%	595	2,10,044.27	289	1,06,657.17	42	14,926.50	-	-	-	-	-	-
		11%-13.5%	38	12,542.31	5	3,350.00	-	-	-	-	-	-	-	-
	Quarterly	9%-11%	211	2,34,941.46	113	1,27,235.54	15	15,276.00	-	-	-	-	-	-
		11%-13.5%	4	1,666.67	-	-	-	-	-	-	-	-	-	-
	Half Yearly	11%-13.5%	4	4,225.00	-	-	-	-	-	-	-	-	-	-
Above 3 year	Monthly	9%-11%	4	2,545.45	4	2,545.45	2	1,272.73	-	-	-	-	-	-
	Quarterly	9%-11%	8	8,223.00	8	8,223.00	8	8,223.00	8	8,223.00	4	4,800.00	1	1,200.00
		11%-13.5%	4	8,400.00	4	8,400.00	4	2,400.00	4	2,400.00	-	-	-	-
	Half Yearly	9%-11%	2	200.00	2	200.00	2	200.00	2	200.00	2	200.00	-	-

As at year ended March 31, 2023

Tenure	Repayment	Interest Range	Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above5years	
			No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
1 to 3 year	Bullet	9%-11%	10	37,445.00	-	-	-	-	-	-	-	-	-	-
	Monthly	5%-7%	-	-	24	11,612.84	-	-	-	-	-	-	-	-
		7%-9%	16	3,354.35	20	3,333.33	-	-	-	-	-	-	-	-
		9%-11%	57	17,756.53	278	90,735.32	189	64,637.99	-	-	-	-	-	-
		11%-13.5%	13	5,714.29	-	-	29	19,334.00	-	-	-	-	-	-
	Quarterly	7%-9%	-	-	18	24,682.93	-	-	-	-	-	-	-	-
		9%-11%	7	6,325.00	102	1,03,658.33	42	48,045.45	-	-	-	-	-	-
	Half Yearly	9%-11%	4	5,375.00	-	-	-	-	-	-	-	-	-	-
Above 3 years	Monthly	7%-9%	-	-	36	6,250.00	-	-	-	-	-	-	-	-
		9%-11%	-	-	54	6,287.64	63	32,291.67	-	-	-	-	-	-
		11%-13.5%	-	-	56	10,140.96	-	-	-	-	-	-	-	-
	Quarterly	7%-9%	-	-	-	-	30	25,605.33	-	-	-	-	-	-
		9%-11%	-	-	16	10,902.73	-	-	32	18,800.00	36	39,915.00	-	-
		11%-13.5%	-	-	-	-	-	-	-	-	20	30,000.00	-	-
	Half Yearly	11%-13.5%	2	444.00	10	11,100.00	-	-	-	-	-	-	-	-

M.P.CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

17.6 Reconciliation of liabilities arising from financing activities

Particulars	Debt securities (including subordinated liabilities)	Borrowings (other than debt)	Commercial Paper	Total
April 01, 2022	**1,75,023.10**	**3,80,124.05**	-	**5,55,147.15**
Proceeds	39,000.00	5,34,276.00	34,695.67	**6,07,971.67**
Repayment	(60,567.30)	(2,39,346.00)	(34,695.67)	**(3,34,608.97)**
Interest expense	16,871.05	40,710.20	476.45	**58,057.70**
Interest & Transaction cost paid	(13,113.33)	(40,753.89)	(476.45)	**(54,343.67)**
Fair Value Changes	-	-	-	-
March 31, 2023	**1,57,213.52**	**6,75,010.36**	-	**8,32,223.88**
Proceeds	27,500.00	6,13,687.50	8,355.00	6,49,542.50
Repayment	(54,468.50)	(4,09,528.75)	(8,355.00)	(4,72,352.25)
Interest expense	16,058.72	67,820.37	145.01	84,024.10
Interest & Transaction cost paid	(17,250.24)	(67,891.73)	(145.01)	(85,286.98)
Fair Value Changes				
March 31, 2024	**1,29,053.50**	**8,79,097.75**	-	**10,08,151.25**

		As at March 31, 2024	As at March 31, 2023
18	**Subordinated liabilities**		
	Redeemable Non-Convertible Debentures (Unsecured) - Subordinated Debt	65,130.40	39,401.05
		65,130.40	**39,401.05**
19	**Other financial liabilities**		
	(a) Interest payable on assets assigned	4,172.84	3,696.82
	(b) Lease liabilities (Also, refer note 34)	12,661.33	10,345.64
	(c) Other payables	13,843.61	3,370.58
		30,677.78	**17,413.04**
20 (a)	**Current tax liabilities (net)**		
	Provision for taxation (net)	-	-
		-	-
20 (b)	**Provisions (Also, refer note 35)**		
	(a) Provision for compensated absences	590.76	466.49
	(b) Provision for gratuity	589.14	581.51
		1,179.90	**1,048.00**
21	**Other non financial liabilities**		
	(a) Statutory dues payable	1,468.62	1,316.45
	(b) Other payables	-	583.72
		1,468.62	**1,900.17**

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

22 Equity share capital

(All amounts in ₹ lakhs unless otherwise stated)

	As at Mar 31, 2024	As at March 31, 2023
Authorised*		
30,00,00,000.00 equity shares (March 31, 2023 - 9,00,00,000.00) of Rs. 10/- each*	30,000.00	9,000.00
10,00,000 preference shares of Rs. 100/- each*	-	1,000.00
Issued, subscribed and paid up**		
20,02,83,372 shares (as at March 31, 2023 - 62,640,245 shares) of Rs. 10/- each	20,028.34	6,264.02

For each class of equity share capital:	No of equity share	Amount(Equity share) (in Rs. Lakhs)	Remarks
(a) the number and amount of shares authorized*	30,00,00,000	30,000.00	
(b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;	20,02,83,372	20,028.34	
(c) par value per share;	10		
(d) a reconciliation of the number of shares outstanding at the beginning and at the end of the period;	Details given in Note 1		
(e) the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;	NA		There are only one class as Equity share. The Company has only one class of equity shares having a par value of Rs.10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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. Dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.
(f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;	19,54,85,619	19,548.56	As on March 31, 2024 Holding company Manappuram Finance Limited(Details given as Note 2)
(g) shares in the company held by each shareholder holding more than five percent shares specifying the number of shares held;	19,54,85,619	19,548.56	As on March 31, 2024 Holding company Manappuram Finance Limited(Details given as Note 2)
(h) shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment, including the terms and amounts;	NA		
(i) For the period of five years immediately preceding the date at which the Balance Sheet is prepared:			
* Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;	NA		
* Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and**	13,35,22,248	13,352.22	

M.P. CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

• Aggregate number and class of shares bought back;	NA		
(j) terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date;	NA		
(k) calls unpaid (showing aggregate value of calls unpaid by Directors and officers);	NA		
(l) forfeited shares (amount originally paid up)	NA		
(m) An NBFC shall disclose information that enables users of its financial statements to evaluate the NBFC's objectives, policies and processes for managing capital.	NA		

*During the year ended March 31, 2024, the authorized preference share capital was sub-divided from 10,00,000 Preference Shares of Rs.100 each to 1,00,00,000 Preference Shares of Rs.10 each. Further the Company reclassified 1,00,00,000 Preference Shares of Rs.10 each to 1,00,00,000 Equity Shares of Rs.10 each and during the year ended March 31, 2024, the authorized equity share capital was increased from 10,00,00,000 equity shares of Rs. 10 each amounting to Rs. 10,000 Lakhs to 30,00,00,000 equity shares of INR 10 each amounting to Rs. 30,000 Lakhs which was duly approved by the board in meeting dated August 16, 2023 and by the shareholders of the Company by means of an ordinary resolution dated August 18, 2023.

** i) The Board of Directors at their meeting held on 14th June, 2023 approved rights issue of 41,20,879 equity shares of Rs.10/- each at a premium of Rs.354/- per share amounting to Rs.149,99,99,956/- which was allotted at the Board Meeting held on 30th June, 2023.

ii)Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on August 16, 2023 had approved the bonus issue of two for every one share held on record date which was approved by the shareholders by means of a special resolution dated August 18, 2023. Through a Board resolution dated August 26, 2023, the Company has allotted 13,35,22,248 equity shares of Rs.10 each as bonus shares to the existing equity shareholders of the Company.

A company shall disclose Shareholding of Promoters as below:

Shares held by promoters at the end of the year			**% Change during the year*** **
Promoter name	**No. of Shares***	**%of total shares**	
Manappuram Finance Limited	19,54,85,619	97.60%	0.00%
Mr. V.P Nandakumar**	7,78,209	0.39%	0.00%

* Details shall be given separately for each class of shares

**Pursuant to Board Resolution dated February 13, 2024, based on the current operations and management of the Company and the provisions of the Companies Act, SEBI Regulations and other applicable laws, Mr. V.P Nandakumar has been identified as the individual promoter of the Company.

*** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

Note 1

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	**As at March 31, 2024**		**As at March 31, 2023**	
	No. of shares*	**Amount**	**No. of shares***	**Amount**
At the beginning of the year	6,26,40,245	6,264.02	5,33,11,887	5,331.19
Issued during the year	13,76,43,127	13,764.31	93,28,358	932.84
Outstanding at the end of the period/year	**20,02,83,372**	**20,028.33**	**6,26,40,245**	**6,264.02**

Note 2

Class of shares / Name of shareholder	**As at March 31, 2024**		**As at March 31, 2023**	
	No of shares held*	**% holding in the class of shares**	**No of shares held***	**% holding in the class of shares**
Equity Shares of Rs. 10 each Manappuram Finance Limited (the Holding Company)	19,54,85,619	97.60%	6,11,38,729	97.60%

** No. of shares are in absolute numbers*

Note 3 Terms / Rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs.10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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.

Dividend proposed by the Board of Directors,if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

Employees Stock Option Scheme (ESOS) (Also, refer note no 52) :

During the year ended March 31, 2020, the Company introduced Employee Stock Option Scheme to eligible employees of the Company w.e.f from July 01, 2019 ("Relevant Date"). Accordingly 8,30,000 options were issued with a graded vesting period and 17,500 options are outstanding as at March 31, 2024.

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

		As at March 31, 2024	As at March 31, 2023
23	**Other equity**		
	(a) Capital redemption reserve	500.00	500.00
	(b) ESOP Contribution	16.93	53.53
	(c) Statutory reserve	23,657.55	14,491.48
	(d) Securities premium account	81,113.74	79,878.05
	(e) General reserve	141.64	113.78
	(f) Retained Earning (Surplus in statement of profit and loss)	89,695.30	53,031.00
	(g) Remeasurement Gain/Loss On Defined Benefit Obligation	(290.59)	(42.98)
	(h) OCI(Effective portion of cash flow hedge)	243.85	655.36
	(i) Equity Investments Fair valued through other comprehensive income	0.55	0.65
	(j) Other Investments Fair valued through other comprehensive income	(270.64)	(512.50)
	(k) OCI(Tax related to items that will not be reclassified)	66.51	4.16
	(l) OCI(Tax related to items that will be reclassified)	6.76	(35.94)
		1,94,881.60	**1,48,136.59**

(a) Capital redemption reserve
In accordance with Section 69 of the Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve

(b) ESOP Contribution
Under Ind AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

(c) Statutory reserve
Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve on the restated financial information.

(d) Securities Premium Account
Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(e) General reserve
General reserve represents an appropriation of profits by the Company.

(f) Retained Earning (Surplus in statement of profit and loss)
Surplus in statement of profit and loss represents the surplus in Profit and Loss Account and appropriations.

(g) Other comprehensive income (OCI) - Remeasurement Gain/ Loss On Defined Benefit Obligation
Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability.

(h) OCI (Effective portion of cash flow hedge)
Represents remeasurement of cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI

(i) Equity Investments Fair valued through other comprehensive income
Represents the change in equity investments which is fair value through OCI

M.P. CHITALE & CO. * CHARTERED ACCOUNTANTS * FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(j) Other Investments Fair valued through other comprehensive income
Represents the change in other investments which are fair value through OCI

(k) OCI (Tax related to items that will not be reclassified)
Represents the tax relating to items that will not be reclassified

(l) OCI (Tax related to items that will be reclassified)
Represents the tax relating to items that will be reclassified

	As at March 31, 2024	As at March 31, 2023
(a) Capital redemption reserve		
Opening balance	500.00	500.00
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	**500.00**	**500.00**
(b) ESOS Contribution (Refer Note No. 52)		
Opening balance	53.53	143.96
Add/(Less) : (Reversal)/Contribution during the year	0.64	(21.02)
Less : Adjustment for Forfeiture and Expiration	(37.24)	(69.41)
Less : Utilised during the year	-	-
Closing balance	**16.93**	**53.53**
(c) Statutory reserve		
Opening balance	14,491.48	10,022.90
Add: Additions during the year (Also, refer note no 50)	9,166.07	4,468.58
Less: Utilised / transferred during the year	-	-
Closing balance	**23,657.55**	**14,491.48**
(d) Securities premium account		
Opening balance	79,878.05	55,810.89
Add : Premium on right shares issued during the year	14,587.91	24,067.16
Less : Utilised for issuance of bonus shares during the year	(13,352.22)	-
Closing balance	**81,113.74**	**79,878.05**
(e) General reserve		
Opening balance	113.78	61.84
Add: Transferred from surplus in statement of profit and loss	-	-
Less: Utilised / transferred during the year	-	-
Add : Adjustment for Forfeiture and Expiration ESOP	37.24	69.41
Less: Adjustment for Deferred Tax	(9.38)	(17.47)
Closing balance	**141.64**	**113.78**
(f) Retained Earning (Surplus in statement of profit and loss)		
Opening balance	53,031.00	35,156.68
Add / (Less) : Profit for the year	45,830.37	22,342.90
Less: Restatement Impact	-	-
Less:Transfer to Statutory Reserve	(9,166.07)	(4,468.58)
Closing balance	**89,695.30**	**53,031.00**
(g) Remeasurement Gain/Loss On Defined Benefit Obligation		
Opening balance	(42.98)	6.68
Add / (Less): Effect for the year	(247.61)	(49.66)
Less:Transfer to Statutory Reserve	-	-
Closing balance	**(290.59)**	**(42.98)**

M.P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED ★

(h) OCI (Effective portion of cash flow hedge)		
Opening balance	655.36	355.39
Add / (Less): Effect for the year	(411.51)	299.97
Closing balance	**243.85**	**655.36**
(i) Equity Investments Fair valued through other comprehensive income		
Opening balance	0.65	0.65
Less: Effect for the year	(0.10)	-
Closing balance	**0.55**	**0.65**
(j) Investments Fair valued through other comprehensive income		
Opening balance	(512.50)	(277.70)
Less: Effect for the year	241.86	(234.80)
Closing balance	**(270.64)**	**(512.50)**
(k) OCI (Tax related to items that will not be reclassified)		
Opening balance	4.16	(8.34)
Less: Effect for the year	62.35	12.50
Closing balance	**66.51**	**4.16**
(l) OCI (Tax related to items that will be reclassified)		
Opening balance	(35.94)	(19.54)
Less: Effect for the year	42.70	(16.40)
Closing balance	**6.76**	**(35.94)**
Total	**1,94,881.60**	**1,48,136.59**

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
Notes forming part of the financial statements

(All amounts in Rs. Lakhs unless otherwise stated)

		Year ended March 31, 2024	Year ended March 31, 2023
24 (a)	**Interest income (at Amortised Cost)**		
	(i) Interest income from loan:		
	- Interest on loan- microfinance loans	2,26,855.05	1,39,569.50
	- Interest on loan- MSME & Gold loans	18,714.93	10,860.99
	(ii) Interest on deposits with banks and financial institutions	5,838.77	4,093.29
	(iii) Other interest income	-	-
		2,51,408.75	**1,54,523.78**
24 (b)	**Net gain on derecognition of financial instruments under amortised cost category**		
	Net gain on derecognition of financial instruments under amortised cost category	14,250.01	10,369.52
		14,250.01	**10,369.52**
25	**Other operating income**		
	Loss assets recovered	2,472.68	6,626.23
		2,472.68	**6,626.23**
26	**Other income**		
	(a) Referral fees	4,568.55	4,052.00
	(b) Miscellaneous income	494.20	356.11
		5,062.75	**4,408.11**
27	**Finance cost**		
	Finance cost on financial liability measured at amortised cost		
	(a) Interest on borrowings		
	- Term Loans from banks	65,567.85	36,711.51
	- Term Loans from NBFCs	3,992.06	3,669.91
	- Borrowings under securitisation arrangement	3,971.07	224.90
	- Other financial institutions	580.00	1,893.44
	- Commercial paper	146.64	479.00
	- Overdraft	127.20	334.83
	(b) Interest on debt securities		
	- Debentures & subordinated liabilities	16,881.43	17,340.40
	(c) Other interest expense		
	- Interest on finance lease obligations	1,490.40	1,196.89
	(d) Other Borrowing Costs		
	- Loan processing fees	167.87	575.40
	- Bank charges	1,816.80	558.48
		94,741.32	**62,984.76**

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
28 Impairment of financial instruments (Also, refer note 7.4)		
Loans	43,695.14	27,353.63
Investments	2,098.16	-
Other Financial Assets	579.65	14.80
	46,372.95	**27,368.43**
Less : Exceptional item	-	-
	46,372.95	**27,368.43**
29 Employee benefit expenses		
(a) Salaries and wages	44,544.26	35,110.52
(b) Contributions to provident and other funds	3,924.92	3,816.16
(c) Gratuity expenses (Also, refer note 35)	576.24	667.52
(d) Staff welfare expenses	(207.35)	90.76
(e) ESOP Expenses (Refer Note No. 52)	0.64	(21.02)
	48,838.71	**39,663.94**
30 Depreciation and amortisation expense (Also, refer note 12)		
(a) Depreciation of tangible assets	1,652.43	973.31
(b) Amortization of other intangible assets	529.26	139.44
(c) Amortization of right of use asset	2,894.55	2,284.39
	5,076.24	**3,397.14**
31 Other expenses		
(a) Electricity	509.24	319.54
(b) Rent (Also, refer note 34)	331.17	184.71
(c) Repairs and maintenance	132.67	178.01
(d) Insurance	1,015.32	359.27
(e) Rates and taxes	287.38	170.95
(f) Communication expenses	1,090.84	927.66
(g) Travel and conveyance	5,851.40	4,635.71
(h) Printing and stationery	572.62	305.01
(i) Directors' sitting fees (Also, refer note 36)	71.66	51.27
(j) Business promotion	465.81	418.81
(k) CSR expenses (Also, refer note 48)	241.63	239.73
(l) Legal and professional fees	1,314.68	782.88
(m) Provision for insurance claim receivable	(82.67)	(176.24)
(n) Subscription charges	81.81	30.70
(o) Software costs (Also, refer note 36)	2,202.39	1,432.27
(p) Security charges	25.31	(1.95)
(q) House keeping expenses	231.07	206.84
(r) Office expenses	696.46	229.49
(s) Directors commission (Also, refer note 36)	183.97	120.00
(t) Payments to statutory auditors' (net of input tax credit)		
- Statutory audit	26.95	21.50
- Tax audit	2.73	1.50
- Other services (Limited Review, Interim Audit and Certification)	11.28	16.35
- Out of pocket expenses	31.16	27.70
(u) Miscellaneous expenses	706.61	939.02
	16,001.49	**11,420.73**

M.P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

32 Segment reporting

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Microfinance Loans.The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company,and makes strategic decisions and are identified as being the CODM. The allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations and no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities.

33 Earnings per share

Basic and Diluted earnings per share :

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Net Profit attributable to Equity Shareholders - ₹ in Lakhs (Basic and Diluted)	45,830.37	22,342.90
(b) Weighted average number of equity shares in calculating basic Earnings Per Share (Nos.)*	19,72,43,379.30	17,40,43,205.15
(c) Earnings per share - Basic ₹ (Per equity share, face value Rs.10/- each)	23.24	12.84
(d) Weighted average number of equity shares in calculating Diluted Earnings Per Share (Nos.)*	19,72,47,091.42	17,40,43,205.15
(e) Earnings per share - Diluted - ₹ (Per equity share, face value Rs.10/- each)	23.24	12.84

* The Board of directors of the Company at its meeting held on August 16, 2023, considered and approved issue of 2 bonus equity shares of face value of Rs. 10/- each against 1 equity share of the face value of Rs. 10 each. The shareholders in their meeting held on August 18 ,2023, have approved the issue of bonus shares and through a Board resolution dated August 26, 2023, the Company has allotted equity shares as bonus shares to the existing equity shareholders of the Company. The Company has adjusted earning per share for all the periods presented as per Ind AS 33. The impact of bonus shares on the rights issue is considered from the date when the shares under rights issue were alloted.

34 Leases

Details of Income/Expense recognised in the statement of Profit and Loss :	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense on right-of-use assets	2,894.55	2,284.39
Interest expense on lease liabilities	1,490.40	1,196.89
Total cash outflow for leases	3,342.17	2,567.95
Lease expense on Low Value Assets / Short term assets	331.17	184.71
	8,058.29	**6,233.94**

Maturity analysis of Lease Liabilities (valued on undiscounted basis):

	Year ended March 31, 2024	Year ended March 31, 2023
Year 1	1,108.32	869.95
Year 2	1,916.75	2,971.92
Year 3	1,661.92	1,721.68
Year 4	2,876.78	444.91
Year 5	3,291.49	3,361.18

35 Employee benefits

35.1 Defined contribution plan

(a) The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

	Year ended March 31, 2024	Year ended March 31, 2023
(b) Expenses recognised		
Included under 'Contributions to Provident and Other Funds' (Refer Note 29)		
Contributions to provident and pension funds	3,055.62	2,989.57
Contributions to Employee State Insurance	869.30	826.59
	3,924.92	**3,816.16**

35.2 Compensated absences

Expenses recognised

	Year ended March 31, 2024	Year ended March 31, 2023
Included under salaries and wages (Refer Note 29)	186.74	29.02
	186.74	**29.02**

	Year ended March 31, 2024	Year ended March 31, 2023
Current portion	205.63	136.56
Non - current portion	385.13	329.93
Net liability/(asset) recognised in the balance sheet	**590.76**	**466.49**



(All amounts in Rs. Lakhs unless otherwise stated)

35 **Employee benefits (continued)**

35.2 Compensated absences (continued)

The key assumptions used in the computation of provision for compensated absences are as given below:

		As at March 31, 2024	As at March 31, 2023
Discount Rate (% p.a)		6.90%	7.10%
Future Salary Increase (% p.a)		10.00%	10.00%
Attrition Rate	(i) below 35 years	35.00%	35.00%
	(ii) above 35 years	20.00%	20.00%

35.3 Defined benefit plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

	As at March 31, 2024	As at March 31, 2023
Amounts recognised in statement of profit & loss		
Service cost		
- Current service cost	544.66	655.27
- Past service cost	-	-
- Net interest expense	31.58	12.25
Components of defined benefit costs recognised in statement of profit or loss (A)	**576.24**	**667.52**
Amounts recognised in statement of other comprehensive income		
Actuarial (gain)/loss on Plan Obligations	298.06	463.79
Difference between actual return and interest income on plan assets- (gain)/loss	(50.45)	(414.13)
Components of defined benefit costs recognised in other comprehensive income (B)	**247.61**	**49.66**
Total	**823.85**	**717.18**

(i) The current service cost and interest expense for the year are included in the Note 29 - Employee benefit expenses in the statement of profit & loss under the line contribution to provident and other funds.
(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.
(iii) The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit credit method.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	2,784.35	2,455.44
Fair value of plan assets	2,195.21	1,873.93
Net (Liability) recognised in the balance sheet	**(589.14)**	**(581.51)**
Current portion of the above	-	-
Non current portion of the above	(589.14)	(581.51)
	(589.14)	**(581.51)**

(c) Movement in the present value of the defined benefit obligation are as follows :

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

35 Employee benefits (continued)

	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation at the beginning of the year	2,455.44	1,424.67
Expenses recognised in profit and loss account		
- Current Service cost	544.66	655.27
- Past Service Cost	-	-
- Interest expense (income)	174.34	93.03
Remeasurement gains / (losses)	-	-
- Effect of Changes in Demographic assumptions	-	(252.07)
- Effect of Changes in financial assumptions	41.11	(62.04)
- Effect of experience adjustments	256.95	777.90
Benefit payments	(884.72)	(411.58)
Effect of transfer of employees from Holding Company	196.57	230.26
Present value of defined benefit obligation at the end of the year	**2,784.35**	**2,455.44**

(i) The weighted average duration of the benefit obligation at March 31, 2024 is 2.5 years (at March 31, 2023 is 2.0 years)

35.3 Defined benefit plans (continued)

(d) Movement in fair value of plan assets are as follows :

	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at the beginning of the year	1,873.93	777.84
expenses recognised in profit and loss account		
- Expected return on plan assets	142.76	80.78
Remeasurement gains / (losses)	-	-
- Actuarial gains/(loss) arising form changes in financial assumptions	50.45	414.13
Contributions by employer (including benefit payments recoverable)	816.22	782.50
Benefit payments	(884.72)	(411.58)
Effect of transfer of employees from Holding Company	196.57	230.26
Fair value of plan assets at the end of the year	**2,195.21**	**1,873.93**

(e) The fair value of plan assets for India at the end of the reporting period for each category are as follows :

	As at March 31, 2024	As at March 31, 2023
Investment funds with insurance company (Life Insurance Corporation of India)	2,195.21	1,873.93

(i) The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.
(ii) The actual return on plan asset as for the year ended March 31, 2024 was Rs. 193.21 Lakhs (for the year ended March 31, 2023 was Rs.494.91 Lakhs)

(f) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	6.90%	7.10%
Expected rate of salary increase	10.00%	10.00%
Withdrawal Rate		
(i) below 35 years	35.00%	35.00%
(ii) above 35 years	20.00%	20.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

M.P.CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

35 Employee benefits (continued)

1. The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation.

2. The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

3. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund (maintained by the Life Insurance Corporation ("LIC")) and is well diversed.

Risks associated with plan provisions

Investment risk:

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Interest risk:

A decrease in the yield of Indian government securities will increase the plan liability.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

35.4 Defined benefit plans (continued)

Risks associated with plan provisions (continued)

Sensitivity analysis:

The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	As at March 31, 2024	As at March 31, 2023
(a) Discount rate		
- Increase by 50 bps	(57.68)	(51.32)
- Decrease by 50 bps	62.33	55.47
(b) Salary growth rate		
- Increase by 50 bps	59.93	53.44
- Decrease by 50 bps	(56.59)	(50.46)
(c) Withdrawal rate		
- Increase by 50 bps	(18.03)	(14.84)
- Decrease by 50 bps	19.04	15.64
(d) Mortality rate		
- Increase in Expected life time by one year	0.20	0.25
- Increase in Expected life time by three years	0.60	0.63

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

M.P. CHITALE & CO. * CHARTERED ACCOUNTANTS * FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

35 Employee benefits (continued)

(g) Effect of plan on entity's future cash flows

(i) The Company expects to make a contribution of Rs. 800 Lakhs during FY 2024-25.

(ii) The weighted average duration of the benefit obligation at March 31, 2024 is 2.5 years (at March 31, 2023 is 2.0 years)

(iii) Maturity profile of defined benefit obligation:

Expected cash flows over the next (valued on undiscounted basis):

	As at March 31, 2024	As at March 31, 2023
Within 1 year	800.00	550.00
1 to 5 years	N/A	N/A
More than 5 years	N/A	N/A

Experience Adjustments

Experience Adjustments	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation	2,784.35	2,455.44
Fair value of plan assets	2,195.21	1,873.93
Surplus/(deficit)	(589.14)	(581.51)
Experience adjustment on plan liabilities [Gain/(Loss)]	(298.06)	(463.79)
Experience adjustment on plan assets [Gain/(Loss)]	50.45	414.13

M.P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

36 Related party transactions

36.1 Names of related parties and nature of relationship

Nature of relationship	Name of the party
Key Management Personnel (KMP) of the company	Mr. BN Raveendra Babu - Managing Director
	Mr. V P Nandakumar - Chairman
	Mr. A Ramanathan - Independent Director
	Mr. Yogesh Ratnakar Udhoji- Chief Financial Officer (upto May 16, 2022)
	Mr.Rajesh KRN Namboodiripad- Chief Financial Officer (w.e.f. May 17, 2022)
	Mr. Abhijit Sen - Independent Director
	Mr. Desh Raj Dogra - Independent Director
	Mr. Gautam Rathindranath Saigal - Non Independent Director
	Ms. Sumitha Nandan - Non Independent Director (w.e.f September 22,2023 till February 13, 2024)
	Ms. Pushya Sitaraman - Independent Director
	Mr. Subrata Kumar Atindra Mitra - Independent Director
	Mr. T. Balakrishnan - Independent Director
	Mr. T.M. Manoharan - Independent Director(Upto 15 July, 2023)
	Mr. Harshan Kollara - Independent Director
	Ms. Anita Belani-Independent Director (w.e.f. January 23, 2023)
	Mr. S V Raja Vaidyanathan - Non Independent Director
	Mrs. Aparna Menon - Company Secretary
Holding company	Manappuram Finance Limited
Entity over which KMP has significant Influence	Vivriti Capital Limited (w.e.f. January 23, 2023)
	Infomerics valuation and Rating Private Limited
	Proficient investment and financial consultancy Private Limited
Group Entities	Manappuram Comptech and Consultants Limited
	Manappuram Foundation
Benefitial Related Party within the Group Companies	Manappuram Insurance Brokers Ltd (w.e.f. April 01, 2023)*

Note: Related party relationships are as identified by the Management.

* The party has been identified as the related party transaction pursuant to change in the definition of related party as stated in section 2 sub-section (zc) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
A listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023

36.2 A. Transactions with the related parties

Nature	Name of the party	Year ended 31st March 2024	Year ended 31st March 2023
Remuneration to KMP	Mr. BN Raveendra Babu	144.34	137.50
	Mr. Yogesh Ratnakar Udhoji	-	18.60
	Mr.Rajesh KRN Namboodiripad	31.64	30.70
	Ms. Aparna Menon	17.80	16.50
Donation	Manappuram Foundation	395.95	379.85
Issue of Right Shares (Including Securities Premium)*	Manappuram Finance Limited	14,644.24	24,529.70
	Mr. S V Raja Vaidyanathan	217.43	95.37
	Mr. V P Nandakumar	58.28	268.00
	Mr. A Ramanathan	8.01	10.72
	Mr. D.R. Dogra	40.86	49.85
	Mr. Gautam Saigal	11.54	19.22
	Mr. BN Raveendra Babu	14.12	23.53
Issue of Bonus Shares (Ratio 2:1)	Manappuram Finance Limited (13,03,23,746 Shares)	-	-
	Mr. S V Raja Vaidyanathan (22,39,468 Shares)	-	-
	Mr. V P Nandakumar (5,18,806 Shares)	-	-
	Mr. A Ramanathan (76,400 Shares)	-	-
	Mr. D.R. Dogra (59,648 Shares)	-	-
	Mr. Gautam Saigal (1,02,670 Shares)	-	-
	Mr. BN Raveendra Babu (1,25,644 Shares)	-	-
Term Loan	Manappuram Finance Limited	12,000.00	13,000.00
Sub-debt	Manappuram Finance Limited	15,000.00	-
Rent & other amenities	Manappuram Finance Limited	39.61	12.49
	Proficient Investment And Financial Consultancy Pvt	-	2.39
Reimbursement of Expense	Manappuram Finance Limited	71.66	-

M.P. CHITALE & CO. * CHARTERED ACCOUNTANTS * FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

Rent receivable (Including Reimburesement)	Manappuram Finance Limited	13.86	2.44
Rating fee payable	Infomerics valuation and Rating Private Limited	74.68	-
Training expenses	Manappuram Finance Limited	66.23	74.52
Interest Expense	Vivriti Capital Limited	147.85	89.19
	Manappuram Finance Limited	1,961.94	761.03
Purchase of software	Manappuram Comptech and Consultants Limited	1,191.89	425.16
Software expense	Manappuram Comptech and Consultants Limited	1,104.56	1,167.14
Sitting fees	Mr. A Ramanathan	4.88	4.97
	Mr. Abhijit Sen	8.77	5.83
	Mr. D.R. Dogra	8.28	5.53
	Mr. Gautam Saigal	8.59	5.40
	Ms. Pushya Sitaraman	5.70	3.87
	Mr. Subrata Kumar Atindra Mitra	5.13	2.88
	Mr. T. Balakrishnan	8.38	5.32
	Mr. T.M. Manoharan	-	1.16
	Mr. Harshan Kollara	7.35	4.30
	Ms.Anita Belani	4.29	0.60
	Mr. S V Raja Vaidyanathan	10.10	7.28
Commission (Excluding GST)	Mr. A Ramanathan	1.90	11.10
	Mr. D.R. Dogra	22.05	15.45
	Mr. Subrata Kumar Atindra Mitra	20.20	16.30
	Mr. Abhijit Sen	15.80	11.20
	Mr. Gautam Saigal	19.77	13.73
	Ms. Pushya Sitaraman	19.77	13.73
	Mr. T. Balakrishnan	19.77	13.73
	Mr.Harshan Kollara	19.30	11.20
	Ms.Anita Belani	14.32	2.46
	Mr. S V Raja Vaidyanathan	15.90	11.10
	Mr BN Raveendra Babu	60.00	60.00

*.The Board approved the Right issue of 41,20,879 Equity Shares of Rs. 10 each fully paid up at Rs. 364 per share at the meeting held on June 30, 2023 and the Right issue of 93,28,358 Equity Shares of Rs. 10 each fully paid up at Rs. 268.00 per share at the meeting held on September 29, 2022.

B. Transactions of the beneficial related party

Nature	Name of the party	Year ended 31st March 2024
Insurance Commission on insurance premium paid by Asirvad Micro Finance Limited	Manappuram Insurance Brokers Ltd	15.92

M.P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

36.3 **Balance as at year end**

Nature	Name of the party	Year ended 31st March 2024	Year ended 31st March 2023
Interest on loan payable	Manappuram Finance Limited	1,484.08	-
Training expense payable	Manappuram Finance Limited	66.23	-
Rent receivable	Manappuram Finance Limited	-	2.44
Software expense payable	Manappuram Comptech and Consultants Limited	30.07	33.54
Performance incentive payable	Mr. BN Raveendra Babu	60.00	60.00
Commission payable	Mr. A Ramanathan	-	11.10
	Mr. D.R. Dogra	19.50	15.45
	Mr. Subrata Kumar Atindra Mitra	17.50	16.30
	Mr. Abhijit Sen	14.00	11.20
	Mr. Gautam Saigal	17.50	13.73
	Ms. Pushya Sitaraman	17.50	13.73
	Mr. T. Balakrishnan	17.50	13.73
	Mr.Harshan Kollara	17.50	11.20
	Anita Belani	14.00	2.46
	Mr. S V Raja Vaidyanathan	14.00	11.10

Note:

(a) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties.

(b) The Related Parties have confirmed to the Management that as at year ended March 31, 2024 and March 31, 2023 there are no further amounts payable to / receivable from them, other than as disclosed above.

(c) The above compensation to key management personnel includes value of pequisites and excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

(d) The transactions during the period are Inclusive of GST except for commission.

36.4 **Disclosures of Transactions Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015:**

Particulars	As at year ended March 31, 2024		As at year ended March 31, 2023	
	Amount Outstanding	Maximum Amount Outstanding during the year	Amount Outstanding	Maximum Amount Outstanding during the year
Loans and advances in the nature of loans				
From Holding Company	15,000	40,000	13,000	13,000
To Fellow Subsidiaries	-	-	-	-
To Associates	-	-	-	-
Where there is			-	-
No Repayment Schedule	-	-	-	-
Repayment Schedule beyond 7 years	-	-	-	-
No Interest	-	-	-	-
Interest below the rate as specified in section 186 of the Companies Act, 2013	-	-	-	-
To Firms / Companies in which directors are interested (Other the (a) and (b) above)	-	-	-	-
Investments by the Loanee in the Shares of Parent Company and	-	-	-	-

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

MICRO FINANCE LIMITED * ASIRVAD

(All amounts in Rs. Lakhs unless otherwise stated)

36.5 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024):

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	Mar 2024	Mar 2023	Mar 2024	Mar 2023	Mar 2024	Mar 2023	Mar 2024	Mar 2023	Mar 2024	Mar 2023	Mar 2024	Mar 2023	Mar 2024	Mar 2023
Borrowings	15,000.00	13,000.00	-	-	-	-	-	-	-	-		-	15,000.00	13,000.00
Deposits	-	-	-	-	-	-	-	-	-	-		-		-
Placement of deposits	-	-	-	-	-	-	-	-	-	-		-		-
Advances	-	-	-	-	-	-	-	-	-	-		-		-
Investments	-	-	-	-	-	-	-	-	-	-		-		-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-		-		-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-		-		-
Interest paid	-	-	-	-	-	-	-	-	-	-		-		-
Manappuram Finance Limited	1,961.94	761.03	-	-	-	-	-	-	-	-		-	1,961.94	761.03
Vivriti Capital Limited	-	-	-	-	-	-	-	-	-	-	147.85	89.19	147.85	89.19
Interest received	-	-	-	-	-	-	-	-	-	-	-	-		-
Others	-	-	-	-	-	-	-	-	-	-	-	-		-
Donation (Manappuram Foundation)	-	-	-	-	-	-	-	-	-	-	395.95	379.85	395.95	379.85
Purchase of software (Manappuram Comptech and Consultants Limited)	-	-	-	-	-	-	-	-	-	-	1,191.89	425.16	1,191.89	425.16
Software expense (Manappuram Comptech and Consultants Limited)	-	-	-	-	-	-	-	-	-	-	1,104.56	1,167.14	1,104.56	1,167.14

FINANCE LIMITED * ASIR

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

(All amounts in Rs. Lakhs unless otherwise stated)

37 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loans from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing ratio :

	As at March 31, 2024	As at March 31, 2023
Borrowings	10,00,690.14	8,42,609.57
Cash and bank balance	(96,254.64)	(54,992.15)
Net debt (A)	**9,04,435.50**	**7,87,617.42**
Equity share capital	20,028.34	6,264.02
Other equity	1,94,881.60	1,48,136.59
Total equity (B)	**2,14,909.94**	**1,54,400.61**
Net debt to equity ratio (A/B)	**4.21**	**5.10**

38 Categories of financial instruments

38 The carrying value and fair value of the financial instruments by categories are as follows:

Particulars	Carrying Value		Fair Value	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a) Financial assets				
Measured at amortised cost				
- Loans	10,29,534.74	8,66,889.56	10,29,534.74	8,66,889.56
- Cash and cash equivalents	96,254.64	54,992.15	96,254.64	54,992.15
- Bank balance other than above	37,196.96	33,678.78	37,196.96	33,678.78
- Other financial assets	13,826.85	12,283.84	13,826.85	12,283.84
- Loan given to staff	153.07	20.12	153.07	20.12
Measured at fair value through OCI				
- Investments	19,493.07	10,201.61	19,493.07	10,201.61
Measured at fair value through Profit or Loss				
- Investments	18,833.06	9,504.72	18,833.06	9,504.72
Hedge accounting				
- Derivative financial instruments	1,356.72	2,629.80	1,356.72	2,629.80
Total	**12,16,649.11**	**9,90,200.57**	**12,16,649.11**	**9,90,200.57**
(b) Financial liabilities :				
Measured at amortised cost				
- Debt securities	61,989.07	1,15,847.95	61,989.07	1,15,847.95
- Borrowings (other than debt security)	8,73,570.67	6,87,360.56	8,73,570.67	6,87,360.56
- Subordinated liabilities	65,130.40	39,401.05	65,130.40	39,401.05
- Trade payables	2,121.53	1,786.82	2,121.53	1,786.82
- Derivative financial instruments	-	-	-	-
- Other financial liabilities	30,677.78	17,413.04	30,677.78	17,413.04
Hedge accounting				
- Derivative financial instruments				
Total	**10,33,489.45**	**8,61,809.42**	**10,33,489.45**	**8,61,809.42**

The management assessed that fair value of loans, cash and cash equivalents, bank balances, other financial assets, borrowings, trade payables, derivative financial instrument and other financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

39 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the management on a continuous basis.

M.P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(a) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(I) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. 'The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The Company provides for expected credit loss based on the following:

Assets covered	Nature	Basis of expected credit loss
Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans and other financial assets	Low credit risk	Life time expected credit loss
Loans	Moderate credit risk	Life time expected credit loss
Loans	High credit risk	Life time expected credit loss

Financial assets that expose the entity to credit risk

Particulars	Nature	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents (excluding cash on hand)	Low credit risk	94,911.53	51,795.32
Bank balance other than cash and cash equivalents	Low credit risk	37,196.96	33,678.78
Loans	Low credit risk	9,89,131.65	8,39,065.00
Loans	Moderate credit risk	18,833.33	16,509.55
Loans	High credit risk	21,722.83	11,335.13
Investments	Low credit risk	38,326.13	19,706.33
Other financial assets	Low credit risk	13,826.85	12,283.84

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country

Other financial assets

Other financial assets measured at amortized cost includes security deposits, receivable on assignment, advances recoverable on behalf of business correspondence arrangements, insurance claim receivables and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

The major guidelines for selection of the client includes:

1. The client's income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India;
2. The client must possess the required KYC documents
3. The client's household must be engaged in some form of economic activity which ensures regular and assured income;
4. Client must agree to follow the rules and regulations of the organisation and
5. Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organisation undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organisation in identifying clients with poor repayment histories and multiple loans

(II) Credit risk exposure

(i) Expected credit losses for financial assets other than loans

The Company have not made expected credit losses for financial assets other than loans and other financial assets mentioned below as the maturity is within twelve months from the balance sheet date.

M.P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

Particulars	Cash and cash equivalents	Other bank balance	Loan given to staff	Investments	Other financial assets
As at March 31, 2024					
Estimated gross carrying amount	96,254.64	37,196.96	154.06	40,424.29	14,406.50
Less: Expected credit losses	-	-	0.99	2,098.16	579.65
Net carrying amount	**96,254.64**	**37,196.96**	**153.07**	**38,326.13**	**13,826.85**
As at March 31, 2023					
Estimated gross carrying amount	54,992.15	33,678.78	20.13	19,706.33	12,283.84
Less: Expected credit losses	-	-	0.01	-	14.80
Net carrying amount	**54,992.15**	**33,678.78**	**20.12**	**19,706.33**	**12,269.04**

(ii) Movement of carrying amount and expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 01 April 2022	**5,02,773.86**	**64,628.81**	**10,832.18**
Assets originated*	3,85,726.80	(753.81)	58,667.00
Net transfer between stages	-	-	-
Transfer to stage 1	-	(1,011.05)	(92.90)
Transfer to stage 2	(15,179.10)	-	(227.00)
Transfer to stage 3	(26,232.00)	(44,683.74)	-
Assets derecognised or collected (excluding write offs)	(27.00)	(58.81)	(31,077.80)
Write - offs (including death cases)	(1.89)	(0.96)	(11,218.00)
Gross carrying amount as at March 31, 2023	**8,47,060.67**	**18,120.44**	**26,883.48**
Assets originated*	2,09,985.25	17,410.92	37,938.48
Net transfer between stages	-	-	-
Transfer to stage 1	-	(195.76)	(10.96)
Transfer to stage 2	(15,748.20)	-	(22.36)
Transfer to stage 3	(31,585.77)	(2,563.57)	-
Assets derecognised or collected (excluding write offs)	(10,616.40)	(7,497.28)	(9,485.47)
Write - offs (including death cases)	(32.41)	(5,177.20)	(11,291.69)
Gross carrying amount as at March 31, 2024	**9,99,063.14**	**20,097.55**	**44,011.48**

*Assets originated during the year has been presented on net basis i.e. the collections towards fresh loans has been netted off.

(iii) Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance as at 01 April 2022	**7,393.49**	**19,108.86**	**8,872.00**
Increase of provision due to assets originated during the year	(12,641.35)	(30,076.67)	40,741.82
Net transfer between stages	-	-	-
Transfer to stage 1	-	(147.39)	(69.50)
Transfer to stage 2	1,022.27	-	(159.18)
Transfer to stage 3	12,221.59	12,734.74	-
Assets derecognised or collected (excluding write offs)	(0.34)	(8.54)	(24,862.26)
Impact of ECL on exposures transferred between stages during the year	-	-	-
Write - offs (including death cases)	(0.05)	(0.14)	(8,974.44)
Gross carrying amount as at March 31, 2023	**7,995.61**	**1,610.86**	**15,548.44**
Increase of provision due to assets originated during the year	23,292.85	6,881.48	17,535.61
Net transfer between stages			
Transfer to stage 1	-	12.70	4.19
Transfer to stage 2	(834.87)	-	4.31
Transfer to stage 3	(15,306.19)	(997.39)	-
Assets derecognised or collected (excluding write offs)	(5,198.42)	(3,694.97)	(5,087.70)
Impact of ECL on exposures transferred between stages during the year			
Write - offs (including death cases)	(17.49)	(2,548.46)	(5,716.20)
Gross carrying amount as at March 31, 2024	**9,931.49**	**1,264.22**	**22,288.65**

(#) If the probability of default increases or decrease by 10 basis point the expected credit loss will increase or decrease by Rs. 506.05 Lakhs (as at March 31, 2023 Rs. 400.66 Lakhs).

Similarly if the loss given default increases or decrease by 100 basis point the expected credit loss will increase or decrease by Rs. 491.74 Lakhs (as at March 31, 2023 Rs. 336.94 Lakhs).

M.P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

(III) Concentration of loans (*)

Particulars	As at March 31, 2024	As at March 31, 2023
Micro finance loans	9,65,660.40	8,17,636.80
Micro, small and medium enterprise (MSME)	8,543.82	3,895.78
Gold loans	88,814.88	70,511.89
Total	**10,63,019.10**	**8,92,044.47**

(*) The above figures represents the gross loan value along with interest accrued

(b) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Refer Note 42.19 which details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(c) Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, principally because the Company lend to customers at fixed interest rates and for periods that may differ from our funding sources, while the borrowings are at both fixed and variable interest rates for different periods. The Company assess and manage the interest rate risk by managing the assets and liabilities. The Asset Liability Management Committee ensures that all significant mismatches, if any, are being managed appropraitely.

The Company has Board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

Sensitivity

The sensitivity of the statement of profit and loss is the effect of the changes in market interest rates on bank and other borrowings. Below is the sensitivity of profit and loss in interest rates.

Particulars	As at March 31, 2024	As at March 31, 2023
Interest sensitivity*		
Interest rates – increase by 0.50%	3,473.00	2,348.22
Interest rates – decrease by 0.50%	(3,473.00)	(2,348.22)

** Holding all other variables constant*

Price Risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

Foreign currency risk

The Company is exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB). The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated 26 March 2019 and updated from time to time) which requires entities raising ECB for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure (Principal and Coupon). The Company hedges its entire ECB exposure for the full tenure of the ECB as per Board approved Interest Rate risk, Currency risk hedging policy.

The Company for its ECB, evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs. The Company manages its currency risks by entering into derivatives contracts as hedge positions and the same are being governed through the Board approved Interest rate risk, Currency risk hedging policy.

The Company's exposure of foreign currency risk (Euros) at the end of the reporting period expressed in ₹ are as follows:

M.P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in Rs. Lakhs unless otherwise stated)

Hedged	Impact on profit an loss account	
	As at March 31, 2024	As at March 31, 2023
USD Sensitivity		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-
EURO Sensitivity		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-

Particular	Impact on other comprehensive income	
	As at March 31, 2024	As at March 31, 2023
USD Sensitivity		
Hedging Instrument		
INR/USD - Increase by 1%*	108.40	135.27
INR/USD - Decrease by 1%*	(108.40)	(135.27)
Hedged Item		
INR/USD - Increase by 1%*	(100.05)	(123.33)
INR/USD - Decrease by 1%*	100.05	123.33
EURO Sensitivity		
Hedging Instrument		
INR/USD - Increase by 1%*	-	227.44
INR/USD - Decrease by 1%*	-	(227.44)
Hedged Item		
INR/USD - Increase by 1%*	-	(224.02)
INR/USD - Decrease by 1%*	-	224.02

Unhedged

* represents the notional amount of the derivative financial instrument

Hedging policy

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

M. P. CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

40 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on and to the extent of information received by the Company from the suppliers during the year regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars for the years ended March 31, 2024 and March 31, 2023 are furnished below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as	-	-

Note:
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

41 Contingent Liabilities and commitments

	As at March 31, 2024	As at March 31, 2023
A. Contingent liabilities:		
(a) Claims against the company not acknowledged as debt;	-	-
(b) Guarantees excluding financial guarantees; and	-	-
(c) Other money for which the company is contingently liable [refer (i) below)]	**6,907.07**	**7,079.65**
(i) Income Tax		
- Income Tax (A.Y. 2015-16)	1,124.50	1,124.50
- Income Tax (A.Y. 2016-17)	1,978.91	1,978.91
- Income Tax (A.Y. 2017-18)	1,348.79	1,521.37
- Income Tax (A.Y. 2020-21)	1,953.49	1,953.49
- Income Tax (A.Y. 2021-22)	501.38	501.38
	6,907.07	**7,079.65**
B. Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Other Intangible Assets	-	-
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments (specify nature).	-	-
	-	-

A) Income Tax

Income Tax (A.Y. 2015-16)
During the FY 2017-18, the Company has received an Assessment order under Section 143(3) for the AY 2015-16 with a demand of ₹ 1,124.50 lakhs by taxing the receipt of share premium amount received by the Company as unexplained cash credits, expense claimed towards employee stock option scheme and disallowance of depreciation under Section 32 of the Income Tax Act, 1961.

The Company has filed appeals against the above with the Commissioner of Income Tax - Appeals. Based on professional advice, the company strongly believe that case will be decided in their favour and hence no provision has been considered. However in the FY 2017-18 the Company has paid an amount of ₹ 224.90 Lakhs being 20% of the total demand and the same has been disclosed as part of Deposit under protest.

Considering the fact that, the ground of order received for AY 2015-16 is similar to order received for AY 2011-12 and AY 2014-15 for which the Company has received favourable order from CIT(A), the Company expects a favourable order to received for AY 2015-16 also. Further, outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals.

Income Tax (A.Y. 2016-17)
During the FY 2018-19, the Company has received an Assessment order under Section 143(3) for the AY 2016-17 with a demand of ₹ 1,978.91 Lakhs by taxing the receipt of share premium amount received by the Company as unexplained cash credits under Section 56(2)(viib) of the Income Tax Act, 1961.

The Company has filed appeals against the above with the Commissioner of Income Tax - Appeals. Based on professional advice, the company strongly believe that case will be decided in their favour and hence no provision has been considered. However in the FY 2017-18 the Company has paid an amount of ₹ 395.78 Lakhs being 20% of the total demand and the same has been disclosed as part of Deposit under protest.

Considering the fact that, the ground of order received for AY 2016-17 is similar to order received for AY 2011-12 and AY 2014-15 for which the Company has received favourable order from CIT(A), the Company expects a favourable order to received for AY 2015-16 also. Further, outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals.

Income Tax (A.Y. 2017-18)
The accounting for securitisation transaction is governed by guidelines issued by the Reserve Bank of India vide its Master Direction on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016. Accordingly company has recorded securitization and assignment transactions during the year. At the time of regular assessment, Assessing Officer disallowed finance cost on above securitization and assignment transactions and added the same to our total income on the ground that company had made true sale of the securitized assets by derecognizing the assets from its financials and therefore there cannot be any loan or associated financial cost and raised demand of ₹ 1,424.27 Lakhs in this regard. Company had received advice from tax counsel to contest the above demand as the company's accounting of transactions is in line with RBI's extent guidelines. In another case relating to disallowance of Demonetised currencies deposited to bank account subsequent to 8th November 2016 and Assessing officer added the same under Income from Other Sources as unexplained money u/s 69A of Income Tax Act on the ground that it is in contravention of SBN Cessation of Liabilities Act 2018 and SC judgement in earlier cases regarding the source of cash and had raised demand of ₹ 97.09 Lakhs in this regard. Company has created a provision to the tune of Rs.172.57 lakhs for the same.

Income Tax (A.Y. 2020-21)
During the FY 2022-23, the Company has received an Assessment order under Section 143(3) for the AY 2020-21 with demand of Rs. 2,134.4 Lakhs by disallowing expenses and ICDS adjustment aggregating to the tune of Rs. 8,511.87 Lakhs under section 43, 43B, 36(1)(va) and 36(1)(viia) w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and ICDS Adjustments.

The Company has filed appeal against the demand with the Commissioner of Income Tax - Appeals. Based on the professional advice, the company strongly believe that majority of the disallowance will be decided in their favour and hence no provision has been considered except in case of bonus and ICDS Adjustments for which provision of Rs. 180.90 lakhs is considered in the books of accounts.

Income Tax (A.Y. 2021-22)
During the FY 2022-23, the Company has received an Assessment order under Section 143(1) for the AY 2021-22 with demand of Rs. 527.4 Lakhs by disallowing expenses and recovery of bad and doubtful debts aggregating to the tune of Rs. 1,560.6 Lakhs under section 43B, 36(1)(va) and 43 w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and recovery of bad and doubtful debts etc.

Vide order dated 27.12.2023, the CIT-Appeals has disposed the appeal. However, in the said order, CIT Appeals has only disposed the matters relating to payment u/s 43B (bonus, leave encashment, gratuity) and delayed payment of PF/ESI. The matter relating to addition u/s 43 has not been disposed off in the order. The Company has filed appeal against the above with the Commissioner of Income Tax - Appeals.Based on professional advice, the company strongly believe that majority of the disallowance and deemed income will be decided in their favour and hence no provision has been considered except for disallowance w.r.t bonus and gratuity u/s 43B for which provision amounting Rs 55.98 Lakhs is considered in the books of accounts.

42 Disclosure Pursuant to Reserve Bank of India Notification DNBR (PD) CC No. 002/03.10.001/2014-15 dt. 10 November 2014

42.1 Details of registration with financial regulators

Regulator	Registration No.
Ministry of Company Affairs	CIN:U65923TN2007PLC064550
Reserve Bank of India	N-07-00769 dated 4 October 2013

M.P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

42.2 Disclosure of penalties imposed by RBI and other regulators

There are no penalty imposed by Reserve Bank of India and other regulators for the year ended March 31 , 2024, March 31 , 2023, except for the following:

For the Year Ended 31 March, 2023

Regulator	Reason	Amount (In Rupees)
SEBI	Fine for ISIN- INE516Q07309 under Regulation 60(2)	11,800.00
SEBI	Fine for ISIN- INE516Q08364 under Regulation 57(1)	3,540.00

42.3 Related party transactions

Details of all material related party transactions are disclosed in Note 36.

42.4 Remuneration of directors (other than Managing Director)

Details of commission payable to directors (other than managing director) are disclosed in Note 36.

42.5 Concentration of advances, exposures and NPA's

The Company operates in the business of microfinance providing collateral free loans for fixed amounts ranging from ₹ 10,000 to ₹ 1,00,000 to women engaged in various income generating activities. As at March 31,2024, the company has provided loans to more than 39.11 lakhs women and hence, the disclosure relating to concentration to advances, exposures and NPA's are not applicable to the Company.

42.6 Ratings assigned by credit rating agencies

Particulars	Amount Rated (In Lakhs)*	March 31, 2024	March 31, 2023
Commercial paper	40,000	Crisil A1+	Crisil A1+
Bank Loan Facilities	800,000	Crisil AA-/Stable	Crisil AA-/Stable
Long Term Bank Facilities	150,000	Care AA- /Stable	NA
Long term Non-Convertible Debentures	53,700	Crisil AA-/Stable	Crisil AA-/Stable
MFI Grading	NA	CARE MFI-1	CARE MFI-1
Subordinated Debt	91,000	Crisil AA-/Stable	Crisil AA-/Stable
COCA report	NA	CARE C1	MICI-SMERA
Market Linked Debentures	52,550	Crisil PPMLD AA-/Stable	Crisil PPMLD AA-/Stable

**Amounts rated is as on March 31, 2024.*

42.7 Sector-wise NPAs:

	March 31, 2024	March 31, 2023
Agriculture & allied activities	3.63%	2.34%
MSME	6.09%	3.73%
Corporate borrowers	NA	NA
Services	8.02%	7.33%
Unsecured personal loans	14.67%	23.15%
Auto loans (commercial vehicles)	NA	NA
Other loans	1.72%	2.81%

42.8 Provisions and Contingencies (shown under the head Expenditure in Statement of Profit and Loss)

	Year ended March 31, 2024	Year ended March 31, 2023
Provision for income tax (excluding deferred tax)	19,448.50	6,318.30
Provision towards standard assets	2,214.01	(16,881.74)
Provision towards non performing assets	44,158.94	44,250.17
Provision and contingencies on gratuity	576.24	667.52
Provision towards compensated absences	186.74	(151.71)
Provision for insurance claim receivable	(82.67)	(176.24)
Provision for Receivable from Resigned Staff	2,614.55	14.80
	69,116.31	**34,041.10**

42.9 Movement of NPAs

	March 31, 2024	March 31, 2023
Net NPAs to net advances (%)	1.71%	1.15%
Movement of NPAs (Gross)		
(a) Opening balance	25,190.64	9,607.96
(b) Additions during the year	64,143.83	66,315.12
(c) Reductions during the year	(49,019.03)	(50,732.44)
(d) Closing balance	**40,315.44**	**25,190.64**
Movement of Net NPAs		
(a) Opening balance	10,111.20	1,711.68
(b) Additions during the year	22,256.52	22,064.95
(c) Reductions during the year	(14,321.96)	(13,664.83)
(d) Closing balance	**18,045.76**	**10,111.20**
Movement of provisions for receivables under financing activities		
(a) Opening balance	15,079.44	7,896.88
(b) Provisions made during the year	41,887.31	44,250.17
(c) Write-off / write-back of excess provisions	(34,697.07)	(37,067.61)
(d) Closing balance	**22,269.68**	**15,079.44**

42.10 Overseas assets (for those with Joint ventures and Subsidiaries abroad)

The Company did not have any overseas assets during the current and previous year.

M.P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

42.11 **Off-balance sheet SPVs sponsored**
The Company did not sponsor any SPVs during the current and previous year.

42.12 **During the year there are no instances of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeding the sanctioned limit or outstanding or entire outstanding whichever is higher.**
During the year company has not given any advances with intangible collateral such as charge over the rights, licenses, authority etc.

42.13 **Investments**

	March 31, 2024	March 31, 2023
Value of Investments		
(i) Gross Value of Investments		
(a) In India	40,424.13	19,706.33
(b) Outside India,	-	
(ii) Provisions for Depreciation / Impairment		
(a) In India	2,098.00	-
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	38,326.13	19,706.33
(b) Outside India	-	
Movement of provisions held towards depreciation / impairment on investments	-	-
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	2,098.00	-
(iii) Less : Write-off / write-back of excess	-	-
(iv) Closing balance	2,098.00	-

42.14 **Derivatives:**

	March 31, 2024	March 31, 2023
Cross Currency Interest Rate Swap		
The notional principal of swap agreements	10,004.88	34,734.55
(Gains)/losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	1,356.72	2,629.80
Collateral required by the NBFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book	1,356.72	2,629.80

Quantitative disclosures

Particulars	March 31, 2024	March 31, 2023
Derivatives (notional principal amount)		
For hedging	10,004.88	34,734.55
Marked to market positions		
a) Asset (+)	1,356.72	2,629.80
b) Liability (-)	-	-
Credit exposure	-	-
Unhedged exposure	-	-

Qualitative disclosure

During the year ended March 31, 2024 and March 31, 2023 the Company has an existing derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS). Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in the Statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of profit and loss depends on the nature of the hedge relationship. During the year ended March 31, 2024 and March 31, 2023 the Company has designated derivatives as cash flow hedges of a recognised liability and has no fair value hedges. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk Management objective and strategy for undertaking the hedge. The documentation includes the Company's risk Management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

During the year ended March 31, 2024 and March 31, 2023 hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

42.15 **Capital Adequacy Ratio**

Particulars	As at March 31, 2024			As at March 31, 2023		
	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio
(a) Capital to risk-weighted assets ratio (CRAR)	247,394.59	1,085,586.41	22.79%	180,845.97	903,050.36	20.03%
(b) Tier I CRAR	199,722.36	1,085,586.41	18.40%	140,698.92	903,050.36	15.58%
(c) Tier II CRAR	47,672.23	1,085,586.41	4.39%	40,147.05	903,050.36	4.45%
(d) Liquidity Coverage Ratio	57,464.73	27,997.25	205.25%	65,441.01	28,414.53	230.31%

42.16 **Details of financing of parent company products**
The Company does not finance any parent company's products and accordingly disclosures is not required.

42.17 **Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC**
There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

42.18 **Unsecured Advances**
Refer note 7(a)

M.P. CHITALE & CO. ★ FRN NO 101851W ★ CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

42 Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM (PK)-2008 dated 1 August 2008 (continued)

42.19 Asset Liability Management

(a) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2024: *

Particulars	1 to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks & NBFCs	3,759.41	12,065.54	23,312.31	41,675.28	46,974.88	135,908.77	230,801.37	323,102.49	15,823.00	1,200.00	834,623.05
Market Borrowings	-	-	-	8,000.00	-	40,850.00	6,868.17	11,014.41	28,000.00	25,000.00	119,732.58
Securitisation	-	-	21,569.14	21,263.42	21,142.55	53,489.65	32,229.76	15,757.27	-	-	165,451.79
Cash Credit & Others	600.00	-	-	-	-	-	1,149.59	-	-	-	1,749.59
Total	**4,359.41**	**12,065.54**	**44,881.45**	**70,938.70**	**68,117.43**	**230,248.42**	**271,048.89**	**349,874.17**	**43,823.00**	**26,200.00**	**1,121,557.01**
Assets											
Advances	12,389.69	12,389.69	28,319.28	59,421.55	53,978.68	209,207.47	528,143.04	248,565.73	629.28	75.89	1,153,120.30
Investments	19,487.32	-	-	-	-	-	-	-	-	18,838.81	38,326.13
Total	**31,877.01**	**12,389.69**	**28,319.28**	**59,421.55**	**53,978.68**	**209,207.47**	**528,143.04**	**248,565.73**	**629.28**	**18,914.70**	**1,191,446.43**

* Numbers appearing in the ALM table is extracted from DNBS-4 filed with the RBI by the company for the month of March 2024.

(b) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2023:

Particulars	1 to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks & NBFCs	3,273.69	8,542.14	10,928.04	20,693.27	52,551.63	110,615.24	145,330.94	268,855.65	12,446.00	-	633,236.60
Market Borrowings	-	3,840.00	8,333.33	4,500.00	16,560.00	650.00	15,586.67	60,716.67	20,500.00	17,500.00	148,186.67
Securitisation	-	6,170.66	9,220.03	13,984.80	25,117.81	25,697.04	13,852.92	59,913.70	-	-	153,956.96
Total	**3,273.69**	**18,552.80**	**28,481.40**	**39,178.07**	**94,229.44**	**136,962.28**	**174,770.53**	**389,486.02**	**32,946.00**	**17,500.00**	**935,380.23**
Assets											
Advances	11,327.37	11,327.37	25,891.13	59,361.11	63,725.22	196,449.13	305,986.27	305,446.67	380.30	14.99	979,909.56
Investments	-	-	-	-	-	-	-	-	-	19,706.33	19,706.33
Total	**11,327.37**	**11,327.37**	**25,891.13**	**59,361.11**	**63,725.22**	**196,449.13**	**305,986.27**	**305,446.67**	**380.30**	**19,721.32**	**999,615.89**

42.20 Draw down from reserves - Disclosure as per RBI/2014-15/299 DNBR (PD) CC.No.002/03.10.001/2014-15 November 10, 2014

There are no drawdown reserves from statutory reserves during the year ended March 31,2024.

43 Additional disclosure pursuant to paragraph 53 of Resolution Framework for COVID-19-related Stress- RBI/2020-21/16- DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 read with Resolution framework 2.0 - RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021

For the year ended March 31, 2024

Serial Number	Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of previous half year i.e. September 30,	Of (A),aggregate debt that slipped into NPA during the half year	Of (A), amount written off during the half year	Of (A), amount paid by borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of this half year
1	MSME loans	111.96	6.63	-	18.38	93.58
2	Others	259.62	58.28	1.99	74.04	183.60
	Total	**371.58**	**64.91**	**1.99**	**92.42**	**277.18**

For the year ended March 31, 2023

Serial Number	Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of previous half year i.e. September 30,	Of (A),aggregate debt that slipped into NPA during the half year	Of (A), amount written off during the half year	Of (A), amount paid by borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of this half year.
1	MSME loans	162.76	80.75	-	16.75	146.01
2	Others	48,351.31	38,205.37	8,642.94	8,304.57	15,973.39
	Total	**48,514.07**	**38,286.12**	**8,642.94**	**8,321.32**	**16,119.40**

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
Notes forming part of the financial statements

(All amounts in ₹ Lakhs unless otherwise stated)

Notes:
A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(v) Stock Ratio

Particulars	As at March 31, 2024	As at March 31, 2023
Commercial papers as a % of total liabilities	0.00%	0.00%
Commercial papers as a % of total assets	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	3.31%	2.44%
Other short-term liabilities as a % of total assets	2.74%	2.07%

(vi) Institutional set-up for Liquidity Risk Management
The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. 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 and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

ASIRVAD MICRO FINANCE LIMITED

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

(All amounts in ₹ Lakhs unless otherwise stated)

44 **Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024):**

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

Particulars	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
As at March 31, 2024	28	8,76,934.69	Not Applicable	84.63%
As at March 31, 2023	31	7,15,707.40	Not Applicable	82.76%

Notes:
A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 1% for other non-deposit taking NBFCs.
Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(ii) Top 20 large deposits (amount in Millions and % of total deposits) - Not applicable

(iii) Top 10 borrowings

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Top 10 borrowings	5,14,982.66	49.70%	2,76,326.54	31.95%

(iv) Funding concentration based on significant instrument / product

Name of the instrument/product	As at March 31, 2024		As at March 31, 2023	
	Amount	% of total liabilities	Amount	% of total liabilities
Borrowings (other than debt securities)	8,73,570.67	84.31%	6,87,360.56	79.49%
Debt securities	61,989.07	5.98%	1,15,847.95	13.40%
Subordinated liabilities	65,130.40	6.29%	39,401.05	4.56%

ASIRVAD MICRO FINANCE LIMITED

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

(All amounts in ₹ Lakhs unless otherwise stated)

45 **Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024):**

S.No	Particulars	As at March 31, 2024		As at March 31, 2023	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities:				
1	***Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:***				
(a)	Debentures				
	- Secured	60,824.87	-	1,07,075.54	-
	- Unsecured (other than falling within the meaning of public deposits)	66,294.60	-	48,173.47	-
(b)	Deferred credits		-	-	-
(c)	Term loans				
	- Secured	8,35,377.64	-	6,28,701.67	-
	- Unsecured	1,997.08	-	15,789.87	-
(d)	Inter-corporate loans and borrowings		-	-	-
(e)	Commercial paper	-	-	-	-
(f)	Finance lease obligations		-	-	-
(g)	Associated liabilities in respect of securitization transactions		-	-	-
(h)	Cash credits		-	-	-

S.No	Particulars	Amount Outstanding	
		As at March 31, 2024	As at March 31, 2023
	Assets:		
2	***Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below] :***		
(a)	Secured	97,358.70	74,262.26
(b)	Unsecured	9,65,660.40	8,17,782.20

ASIRVAD MICRO FINANCE LIMITED

M. P. CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

(All amounts in ₹ Lakhs unless otherwise stated)

3	***Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities***		
(i)	Lease assets including lease rentals accrued and due:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

45 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024)(Continued):

S.No	Particulars	Amount Outstanding	
		As at March 31, 2024	As at March 31, 2023
4	***Break-up of Investments***		
	Current Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
II	**Unquoted:**		
(i)	Shares:	-	-
	(a) Equity		
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-

ASIRVAD MICRO FINANCE LIMITED

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

Asirvad Micro Finance Limited
Notes forming part of the financial statements

(All amounts in ₹ Lakhs unless otherwise stated)

	Long Term Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity		
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	19,487.32	10,195.96
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	5.75	5.65
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
(v)	Investment in Pass Through Certificates	-	-
(vi)	Investment in Pass Through Certificates	-	-
(vii)	Investment in Equity Tranche	453.80	-
(viii)	Others (Security Receipts)	18,379.26	9,504.72

5 *Borrower Group-wise Classification of Assets Financed as in (2) and (3) above*

S.No	Category	As at March 31, 2024 (Net of Provisions)			As at March 31, 2023 (Net of Provisions)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
							-
2	Other than related parties	96,870.49	9,32,664.25	10,29,534.74	73,881.23	7,93,008.33	8,66,889.56
		96,870.49	**9,32,664.25**	**10,29,534.74**	**73,881.23**	**7,93,008.33**	**8,66,889.56**

ASIRVAD MICRO FINANCE LIMITED

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

(All amounts in ₹ Lakhs unless otherwise stated)

Note: The amount of Assets financed represents the net owned portfolio outstanding after adjusting the provisions for standard, substandard and doubtful assets.

6 *Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :*

S.No	Category	As at March 31, 2024		As at March 31, 2023	
		Market Value / Break up Value or Fair Value or Net Asset Value	Book Value	Market Value / Break up Value or Fair Value or Net Asset Value	Book Value
1	Related parties				
(a)	(a) Subsidiaries	-	-	-	-
(b)	(b) Companies in the same group	-	-	-	-
(c)	(c) Other related parties	-	-	-	-
2	Other than related parties	38,326.13	38,326.13	19,706.33	19,706.33
		38,326.13	**38,326.13**	**19,706.33**	**19,706.33**

7 *Other Information*

S.No	Category	As at March 31, 2024		As at March 31, 2023	
		Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i)	Gross non-performing assets	-	40,315.44	-	25,190.64
(ii)	Net non-performing assets	-	18,045.76	-	10,111.20
(iii)	Assets acquired in satisfaction of debt	-	-	-	-

ASIRVAD MICRO FINANCE LIMITED

M. P. CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

(All amounts in ₹ Lakhs unless otherwise stated)

46 **Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024):**

Particulars	As at June 30, 2023		As at September 30, 2023		As at December 31, 2023		As at March 31, 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
Cash and bank balances	56,340.28	56,340.28	60,565.40	60,565.40	10,690.30	10,690.30	37,977.41	37,977.41
Unencumbered fixed deposits	19,583.57	19,583.57	56,049.93	56,049.93	44,254.09	44,254.09	-	-
Investment in G sec	10,633.03	10,633.03	10,273.97	10,273.97	19,361.89	19,361.89	19,487.32	19,487.32
	86,556.88	**86,556.88**	**1,26,889.30**	**1,26,889.30**	**74,306.28**	**74,306.28**	**57,464.73**	**57,464.73**
Cash Outflows								
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	-	-	-	-	-	-	-	-
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivatrve exposures and other collateral requirements	-	-	-	-	-	-	-	-
Outflows related to loss of funding of debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	67,466.38	77,586.33	71,073.68	81,734.73	86,723.46	99,731.98	97,381.74	1,11,989.00
Other contingent funding obligations	-	-	-	-	-	-	-	-
	67,466.38	**77,586.33**	**71,073.68**	**81,734.73**	**86,723.46**	**99,731.98**	**97,381.74**	**1,11,989.00**
Cash Inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing exposures	-	-	-	-	-	-	-	-
Other cash inflows	62,325.59	46,744.19	33,252.43	24,939.32	78,746.74	59,060.05	1,75,363.38	1,31,522.54
	62,325.59	**46,744.19**	**33,252.43**	**24,939.32**	**78,746.74**	**59,060.05**	**1,75,363.38**	**1,31,522.54**

Liquidity coverage ratio

Particulars	As at June 30, 2023	As at September 30, 2023	As at December 31, 2023	As at March 31, 2024
Total high quality liquid assets (a)	86,556.88	1,26,889.30	74,306.28	57,464.73
Total net cash outflows (b)	30,842.14	56,795.40	40,671.92	27,997.25
Liquidity coverage ratio (a)/(b)	**280.64%**	**223.41%**	**182.70%**	**205.25%**

The inflows and outflows for the three months period June 30, 2023, September 30, 2023, December 31, 2023 and March 31, 2024 have been extracted from the form DNBS 4 filed by the company with Reserve bank of India.

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024). The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the year ended March 31, 2024 was 202.25% which is above the regulatory requirement.

ASIRVAD MICRO FINANCE LIMITED

M.P. CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

(All amounts in ₹ Lakhs unless otherwise stated)

47 **RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated on September 29, 2016**

(a) For the year ended FY 2023-24

Category	More than Rs. 1 Lakh		Less than Rs. 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	129	2,013.47	-	-
- By Others	2	2.24	22	11.08
Total	**131**	**2,015.71**	**22**	**11.08**

(a) For the year ended FY 2022-23

Category	More than Rs. 1 Lakh		Less than Rs. 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	66	1,015.60	-	-
- By Others	-	-	3	1.37
Total	**66**	**1,015.60**	**3**	**1.37**

Note: The above summary is prepared based on the information available with the Company and relied upon by the Auditors.

47.1 **Disclosure as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024):**

Net Interest Margin during the Year:

	Year ended March 31, 2024	Year ended March 31, 2023
Average Interest (a)	25.00%	24.16%
Average effective cost for borrowing Interest (b)	10.33%	10.10%
Net Interest Margin (a-b)	**14.67%**	**14.06%**

The Average interest represents the effective rate at which loans have been disbursed to the customers for the years ended March 31, 2024, March 31, 2023.

The Average interest cost of borrowings of the Company for the years ended March 31, 2024, March 31, 2023 have been computed based on the monthly interest cost divided by the average monthly balances of outstanding borrowings. The Average cost of borrowings include the following :

a) Upfront processing fees paid by the Company for availing loans.
b) Interest loss on fixed deposits placed as collateral, being difference between rate of interest on fixed deposit and the interest rate on the borrowings.

47.2 **Undisclosed income**

There are no transactions not recorded in the books of accounts.

ASIRVAD MICRO FINANCE LIMITED

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

48 Corporate Social Responsibility (CSR)

For the year ended March, 2024

During the year, the Company incurred an aggregate amount of Rs.395.95 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As at March 31, 2024		
	Projects related to FY 2023-24	Projects related to FY 2022-23	Projects related to FY 2021-22
(a) Gross amount required to be spent by the company during the year as per Sec 135 of Companies Act, 2013	241.63	40.57	135.48
(b) Excess Amount spent in previous year	-	-	-
(c)Gross amount required to be spent by the company during the year after adjustment, if any (a)-(b)	241.63	40.57	135.48
(d) Amount spent during the period ended March 31, 2024:	241.63	40.57	113.75
i) Construction / acquisition of any asset	130.93	40.57	113.75
ii) On purposes other than (i) above	110.70	-	-
(e) Unspent Amount as on March 31, 2024 (c)-(d)	-	-	21.73
(f) Excess Amount spent as on March 31, 2024	-	-	-
(g) Surplus generated for CSR fund during previous year	NA	NA	NA
(h) Amount Transferred to CSR Unspent account as on March 31, 2024	NA	NA	NA
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2024	NA	-	21.73
(j) Reason for shortfall	NA	NA	Fund is allocated for ongoing Projects
(k) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.			
i) Trust Name	**Manappuram Foundation**	**Manappuram Foundation**	**Manappuram Foundation**
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promoting education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/preventive healthcare d) Promotion of Health care and Women empowerment	a) Promoting education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/preventive healthcare d) Eradicating hunger, poverty and malnutrition e) Promotion of Health care and Women empowerment f) Facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; g) Disaster management, including relief, rehabilitation and reconstruction activities i) Preventive Healthcare and Sanitation	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group. c) Promotion of Health care and Women empowerment d) Eradicating hunger, poverty and malnutrition e) Promotion of Healthcare/preventive healthcare

M.P.CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

For the year ended 31st March 2023

During the year, the Company incurred an aggregate amount of Rs.377.54 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As at the year ended March 31, 2023	
	Projects related to FY 2022-23	Projects related to FY 2021-22
(a) Gross amount required to be spent by the company during the year as per Sec 135 of Companies Act, 2013	241.29	312.29
(b) Excess Amount spent in previous year	-	-
(c)Gross amount required to be spent by the company during the year after adjustment, if any (a)-(b)	241.29	312.29
(d) Amount spent during the year as on March 31, 2023	200.72	176.81
i) Construction / acquisition of any asset	120.34	173.65
ii) On purposes other than (i) above	80.39	3.17
(e) Unspent Amount as on March 31, 2023 (c)-(d)	40.57	135.48
(f) Excess Amount spent as on June 30, 2022	-	-
(g) Surplus generated for CSR fund during previous year	1.56	-
(h) Amount Transferred to CSR Unspent account as on March 31, 2023	40.57	NA
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2023	40.57	135.48
(j) Reason for shortfall	Fund is allocated for ongoing Projects	Fund is allocated for ongoing Projects
(k) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.		
i) Trust Name	**Manappuram Foundation**	**Manappuram Foundation**
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promoting education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/preventive healthcare d) Eradicating hunger, poverty and malnutrition e) Promotion of Health care and Women empowerment f) Facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups. g) Disaster management, including relief, rehabilitation and reconstruction activities	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/preventive healthcare d) Eradicating hunger, poverty and malnutrition e) Promotion of Health care and Women empowerment

M. P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASHVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

49 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the years ended March 31, 2024, March 31, 2023.

50 Statutory Reserve

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at a rate of 20% of the net profit after tax of the Company every year. Considering the Profit after tax for the year ended March 31, 2024, Rs. 9,166.07 Lakhs (the year ended March 31, 2023, Rs. 4,468.58 Lakhs) is transferred to the statutory reserve as required under Section 45-IC of Reserve Bank of India (RBI) Act, 1934.

51 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Notional expressed in INR	Maturity date	Changes in fair value of hedging instrument Assets	Changes in fair value of hedging instrument Liability	Line item in Balance Sheet
Cash flow hedge					
Foreign exchange forward contracts (Cross currency interest rate swaps) (USD)					
For the year ended March 31 2024	10,004.88		1,356.72	-	Derivative financial instruments
For the year ended March 31 2023	12,332.55		1,745.55	-	Derivative financial instruments
Foreign exchange forward contracts (Cross currency interest rate swaps) (EURO)					
For the year ended March 31 2024	-		-	-	Derivative financial instruments
For the year ended March 31 2023	22,402.00		884.25	-	Derivative financial instruments

b) Disclosure of effects of hedge accounting on financial performance

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange forward contracts (Cross currency interest rate swaps)				
For the year ended March 31 2024	(1,273.08)	-	(861.57)	Finance Cost
For the year ended March 31 2023	2,498.37	-	2,198.40	Finance Cost

Hedged Item

ECB Loans	As at March 31, 2024	As at March 31, 2023
Change in the value of hedged item used as the basis for	(1,112.87)	(1,974.44)
Cash flow hedge reserve as at*	243.85	655.37
Hedging gains or losses recognised in other comprehensive income	(411.51)	299.97

The hedge ineffective portion is accorded for as Finance Cost under the profit and loss account
* Figures are gross of tax

M. P. CHITALE & CO. * CHARTERED ACCOUNTANTS * FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

52 Employee Stock Option Scheme (ESOS), 2019

(a) The details of the Employee Stock Option Scheme 2019 are as under:

Date of share holders' approval	2-Feb-19
Number of options approved	830,000
Date of grant	July 1, 2019
Number of options granted upto June 30, 2023	830,000
Method of settlement	Equity
Graded Vesting	30% after two years from the date of grant i.e. July 1, 2021 and 35% after three years from the date of grant i.e July 1,2022 and the balance 35% after four year from the date of grant i.e. July 1, 2023
Exercisable period	1 year from graded vesting date
Vesting conditions	Continuous employment /service as on relevant date of vesting and pre-determined performance parameters, if any

The Company has adopted the Employee Stock Option Scheme framed in accordance with the Section 62(1)(c) of the Companies Act 2013 read with Rules 12 of the Companies (Share Capital and Debenture) Rules, 2014 made thereunder.

The Company has granted 830,000 options at an exercise price of Rs. 364/- on July 1,2019 which will vest over a period of four years from the grant date (30% after two years from the date of grant i.e. July 1, 2021 and 35% after three years from the date of grant i.e July 1,2022 and the balance 35% after four years from the date of grant i.e. July 1, 2023. The exercise period commences from the date of vesting and will expire not later than one year from the date of vesting.

(b) The summary of the movements in options is given below:

	As at March 31, 2024	As at March 31, 2023
Options outstanding, beginning of year	64,750	242,500
Options granted during the year	-	-
Increase on account of Bonus issue	-	-
Lapsed Options restored during the year	-	-
Options lapsed during the year period ended	18,375	125,250
Options lapsed during the year due to end of exercise period for tranche	28,875	52,500
Options Expired during the year	-	-
Options Exercised during the year	-	-
Options vested and Outstanding at the end of the year	**17,500**	**64,750**
Options outstanding at the year end comprise of :		
- Options eligible for exercise at the end of the year	17,500	32,375
- Options not eligible for exercise at the end of the year		32,375
	17,500	64,750

In accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the compensation cost for ESOS 2019 was required to be recognised based on the fair value on the date of grant i.e. in FY 2019-20. The Company has rectified the prior period error by giving retrospective effect of ESOP expenses and tax impact in the opening reserves of FY 2022-23, thereby providing reliable and more relevant information about the Company's financial position. The imapct of such change is as follows:

Financial line item	increase / (decrease)
	As at and for the year ended March 31, 2022
ESOP expense	143.96
Deferred Tax	36.24
Earnings per share (in Rs.) (Face value of Rs.10 per equity share)	
- Basic	(0.07)
- Diluted	(0.07)

Expenses recognised in the Profit and loss accounts for the year ended March 31, 2024, is Rs. 0.64 in Lakhs (for the year ended March 31, 2023 Rs. (21.02) in Lakhs)
Tax impact for year March 31, 2024 is Rs. (0.16) in Lakhs (for the year ended March 31, 2023 Rs. 5.29 in Lakhs)

(d) The fair value of options estimated at the date of grant using the Black-Scholes method and the assumptions used are as under

Grant Date	01/Jul/2019
Option Price Model	Black Scholes Method
Exercise Price	364
Share Price on Grant Date	239.37
Expected Volatility	0.5
Expected time to exercise shares	1 Year after Vesting i.e. last possible exercise date
Risk-free rate of return	6.61% - 7.00%
Dividend Yield	0
Fair Value of ESOP at Grant Date	63.24 - 96.7
Weighted Average Fair Value of ESOP at Grant Date	81.1845
Method used to determine expected volatility	The expected volatility is based on price volatility of similar NBFC Listed company.

M.P.CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

53 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Receivables considered good - Secured		
(b) Receivables considered good - Unsecured;	78.83	600.78
(c) Receivables which have significant increase in Credit Risk		
(d) Receivables - credit impaired		
Gross	78.83	600.78
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net	**78.83**	**600.78**

Trade receivables ageing

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	78.81	0.02	-	-	-	78.83
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	525.18	75.60	-	-	-	600.78
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on trade receivables.

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

54 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	113.12	80.23
Total	113.12	80.23

Ageing as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others	87.70	25.34	0.08	-	113.12
(iii) Disputed dues – MSME					-
(iv) Disputed dues - Others					-

Ageing as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	79.86	0.37			80.23
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-

M. P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

55 Capital-Work-in-Progress (CWIP) and Intangible assets under development ageing as on March 31, 2024

A

Particulars	Out standing for the following periods from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital-Work-in Progress (CWIP)	-	-	-	-	-
Intangible assets under development	-	-	-	-	-

B For Capital work in progress and Intangible assets under development, there is no transaction whose completion is overdue or has exceeded its cost compared to its original plan.

56 Details of Benami Property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2024 and March 31, 2023.

57 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2024 and March 31, 2023.

58 Relationship with Struck off Companies

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024, March 31, 2023 are given below:

Name of the struck off company	Balance outstanding as at	
	March 31, 2024	March 31, 2023
Receivables (Loans outstanding)	-	-
Payables (Borrowings outstanding)	-	-
Payables (Trade Creditors)	-	-
Shares held by struck off company	-	-

	For the year ended	
	March 31, 2024	March 31, 2023
Value transactions conducted with the above Trade Creditor, being the company whose name has been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.	-	-

In the financial year ended March 31, 2024 and financial year ended March 31, 2023 the Company has not conducted any transaction with Struck off companies.

59 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2024, Except for few instances where delay was due to technical issues in MCA site . For these cases, charges were created with in the extended timeline given by MCA.

60 Compliance with number of layers of companies

Not Applicable

61 Utilisation of Borrowed funds and share premium

During the year ended 31st March 2024, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend 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;

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend 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; "

62 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2024 and March 31, 2023.

63 Details of loans transferred / acquired during the year ended March 31, 2024 and March 31, 2023, under RBI Master Direction on Transfer of Loan Exposure dated September 24, 2021.

(a) Details of stressed loans transferred and investment made in Security Receipts to ARCs:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i)No of Accounts	124,545.00	275,093.00
(ii)Aggregate principal outstanding of loans transferred	29,525.87	32,210.00
iii)Weighted average residual tenure of the loans transferred (Months)	9.49	5.63
iv)Net book value of loans transferred (At the time of transfer)	16,360.48	10,594.00
v)Aggregate consideration	14,645.00	10,630.00
vi)Additional consideration realised in respect of accounts transferred in earlier years	-	-
vii)Investment in Security Receipts (SR)	12,669.05	9,243.00

(b) The Company has not acquired any loans through assignment.
(c) The Company has not acquired any stress loans

64 Pursuant to the requirements of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors, during the year, the Company has carried out restatement of the comparative financial information and the impact of such restatement on the financial statement for the year ended 31 March 2023, and reporting periods beginning 01 April 2022 is as follows:

Financial line item	Increase / (Decrease)		
	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023	As at April 01, 2022

M.P. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ FRN NO 101851W

ASIRVAD MICRO FINANCE LIMITED

Employee benefit expenses	0.64	(21.02)	NA
Tax Expense	(0.16)	(508.79)	NA
Other comprehensive income	180.92	(175.70)	NA
Total comprehensive Income / (Loss)	**180.44**	**(1,235.34)**	**NA**
Investments	(241.77)	(659.14)*	(277.10)
Derivative financial instruments	-	(142.67)	(142.67)
Deferred tax assets (net)	51.64	666.97	116.55
Other Equity	190.13	12.45	(303.22)
Earnings per equity share (Face Value of Rs. 10/- per share)			
- Basic (Rs.)	(0.00)	(0.30)**	NA
- Diluted (Rs.)	(0.00)	(0.30)**	NA

**Includes accrued interest on ULISec amounting to Rs. 147.25 Lakhs which was reclassified to Other financial assets*

***The Restated earnings per share (EPS) has been calculated after considering the impact of bonus shares (2:1) issued by the Company during the current financial year.*

65 **Disclosure as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024):**

65.1 **Exposure to Real Estate Sector**

Particulars	As at March 31, 2024	As at March 31, 2023
Category		
Direct exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	3,572.78	3,660.77
(ii) Commercial Real Estate -		
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 shall also include non-	12.72	87.43
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a.Residential	-	-
b.Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	**3,585.50**	**3,748.20**

65.2 **Exposure to capital market**

The Company does not have any exposure to Capital market as at March 31, 2024 and March 31, 2023.

ASIRVAD MICRO FINANCE LIMITED

M.P. CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

65 **Disclosure as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024):**

65.1 **Exposure to Real Estate Sector**

Particulars	As at March 31, 2024	As at March 31, 2023
Category		
Direct exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	3,572.78	3,660.77
(ii) Commercial Real Estate -		
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 shall also include non-	12.72	87.43
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a.Residential	-	-
b.Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	**3,585.50**	**3,748.20**

65.2 **Exposure to capital market**

The Company does not have any exposure to Capital market as at March 31, 2024 and March 31, 2023.

ASIRVAD MICRO FINANCE LIMITED

M.P. CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

65.3 Customer complaints

Particulars	As at March 31, 2024	As at March 31, 2023*
Complaints received by the NBFC from its customers		
1. No. of complaints pending as at beginning of the year	123	859
2. No. of complaints received during the year	2,246	3,693
3. No. of complaints disposed during the year	2,283	4,429
Of which, number of complaints rejected by the NBFC	204	410
4. No. of complaints pending as at end of the year	86	123
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	NIL	NIL
Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NIL	NIL
Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NIL	NIL
Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NIL	NIL
Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

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 previous, number of complaints pending beyond 30 days
For the year ended March 31, 2024					
Insurance related	69	768	-55.30%	34	19
Collection related	38	894	-6.29%	26	9
Loan Related	5	163	-64.57%	12	2
Staff Related	-	124	-42.33%	1	-
CIBIL related	-	147	NA	12	-
Others	11	150	-16.20%	1	-
Total	123	2,246		86	30

ASIRVAD MICRO FINANCE LIMITED

M.P. CHITALE & CO. FRN NO 101851W CHARTERED ACCOUNTANTS

For the year ended March 31, 2023					
Insurance Related	508	1,718	35.49%	69	40
Collection Related	197	954	-1.75%	38	16
Loan Related	35	460	-17.56%	5	4
Staff Related	12	215	2.87%	-	-
Service Related	79	167	NA	-	-
Others	28	179	-19.00%	11	2
Total	859	3,693		123	62

**There were some errors in the data extracted by the company during the annual closing, and same set of data was used by the Company for RBI reporting in the respective years. However, during the year ended as on March 31, 2024, some errors were identified and rectified by the Company.*

Table showing number of complaints reported in previous year vis-à-vis the rectified / restated numbers

Particulars	Previous Year Reported Numbers	Restated Number
No. of complaints pending as on March 31, 2022	1144	859
No. of complaints received during the period	3507	3693
No. of complaint disposed during the period	4532	4429
No. of complaint rejected during the period	NIL	410
No. of complaints pending as on March 31, 2023	119	123

65.4 Intra Group Exposures

There is no Intra group exposures for the company

65.5 Instances of breach of covenant of loan availed or debt securities issued

The Company has been regular in serving all its borrowings though there has been breach of some of the covenants relating to borrowings.Given the large scale Covid-19 induced disruptions, many of the borrowers across the microfinance industry were unable to service their loans on-time resulting in significantly elevated PAR, GNPA, NPA etc., The company was not immune to this industry trend and witnessed breach of some of the covenants due to elevated portfolio stress levels

Breach of Covenant	As at March 31, 2024	As at March 31, 2023
Number of Instances	10	9
Amount Involved (Rs. In Lakhs)	50,127.04	40,263.00

ASIRVAD MICRO FINANCE LIMITED

M. P. CHITALE & CO. CHARTERED ACCOUNTANTS FRN NO 101851W

65.6 **Sectoral Exposure**

Sectors	Year ended March 31, 2024			Year ended March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
i) Agriculture-Animal Husbandry	64,130.69	1,919.60	2.99%	48,230.93	1,003.72	2.08%
ii) Agriculture-Dairy	62,679.70	4,580.97	7.31%	70,247.50	4,631.95	6.59%
iii) Agriculture-Crops	7,38,221.77	24,524.82	3.32%	5,57,438.17	9,757.84	1.75%
iv)Agriculture - Others	13,482.49	825.32	6.12%	16,650.43	809.30	4.86%
Total (i+ii+iii+iv)	**8,78,514.65**	**31,850.71**	**3.63%**	**6,92,567.03**	**16,202.81**	**2.34%**
2.Industry						
i) Textile	29,478.15	1,306.90	4.43%	25,800.11	877.23	3.40%
ii) Others	28,181.30	2,207.32	7.83%	28,257.70	1,195.97	4.23%
Total (i+ii)	**57,659.45**	**3,514.22**	**6.09%**	**54,057.81**	**2,073.20**	**3.84%**
3.Services						
i) Trade	73,225.19	5,827.92	7.96%	91,191.10	5,615.70	6.16%
ii) Others	47,016.69	3,816.27	8.12%	53,313.88	3,493.84	6.55%
Total (i+ii)	**1,20,241.88**	**9,644.19**	**8.02%**	**1,44,504.98**	**9,109.54**	**6.30%**
4.Personal Loans						
i) Loan Against Gold Jewellery	88,967.95	1,529.38	1.72%	70,532.01	498.52	0.71%
ii) Product Loan	36,400.34	5,953.94	16.36%	35,478.82	9,753.67	27.49%
iii) Others	6,269.56	303.73	4.84%	6,948.97	67.45	0.97%
Total (i+ii+iii)	**1,31,637.85**	**7,787.05**	**5.92%**	**1,12,959.80**	**10,319.64**	**9.14%**

65.7 **Disclosure as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024):**

	As at March 31, 2024	As at March 31, 2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

65.8 **Divergence in asset classification and provisioning**

No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory inspection for the year ended 31 March 2023 and for the year ended 31 March 2022 as per the requirement of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024)

PATHAK H. D. & CO. FRN NO 101961W CHARTERED ACCOUNTANTS

66 Details of Auctions Held During the Year 2023-24

Additional disclosures as required by RBI NDSI Master Directions, 2016:

Year	Number of Loan Accounts	Principal Amount outstanding at the dates of auctions (A) ('in Lakhs)	Interest Amount outstanding at the dates of auctions (B) ('in Lakhs)	Total (A+B) ('in Lakhs)	Value fetched ('in Lakhs)
March 31, 2024	2661	1,632.02	573.09	2,205.11	1,609.92
March 31, 2023	546	445.76	122.81	568.57	554.26

Note: No sister concerns participated in the auctions held during the financial year ended on March 31, 2024 and March 31, 2023

67 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to certain tables at the database level. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

68 Previous year figures

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

For M. P. CHITALE & Co
Chartered Accountants
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

Rajesh KRN Namboodiripad
Chief Financial Officer

Date: May 22, 2024
Place: Valapad

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Aparna Menon
Company Secretary

Independent Auditors' Report on the Audited Quarterly and Annual Standalone Financial Results of Asirvad Micro Finance Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:-

To,

The Board of Directors
Asirvad Micro Finance Limited

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying Standalone Financial Results of M/s. Asirvad Micro Finance Limited ("the Company") for the quarter and year ended March 31, 2025 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ('the Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

i. is presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS'), RBI guidelines and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the quarter and the year ended March 31, 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 Standalone Financial Results 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 opinion.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

Emphasis of Matter

We Refer to the note no. 5 that describes the cease-and-desist from sanction and disbursal of loans, vide RBI order dated October 17, 2024. Subsequently to the same, the company has initiated remedial action and submitted their various compliances to the RBI. Now, having satisfied itself based on company's submissions, the RBI has lifted the afore-mentioned restrictions placed vide their order (CO.DOS.DSD.No. S7210/51-01-002/2024-25) dated January 8, 2025.

Our conclusion is not modified in respect of this matter.

Board of Directors' Responsibility for the Standalone Financial Results

The Standalone Financial Results have been compiled from the Standalone Financial Statements. The Company's Board of Directors are responsible for the preparation of these Standalone Financial Results that give true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI guidelines") and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results 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 the Statement.

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 Statement 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 through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements in place and operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 Statement 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other matters

The standalone financial results includes the results for the quarter ended March 31, 2025 being the balancing figure between the audited figures in respect of the full financial year ended March 31,2025 and the published un-audited year to date standalone figures upto December 31, 2024, being the date of the end of the third quarter of the current financial year, which were subject to review by us, as required by the Listing Regulations.

The numbers and details pertaining to quarter ended March 31, 2024 and details pertaining to year ended as at March 31, 2024 and notes related thereto in the Statement have been traced from the financial statements of the Company audited by the predecessor auditors vide their unmodified audit report dated May 22, 2024.

Our opinion is not modified in respect of this matter.

For **A.John moris &Co,**
Chartered Accountant
FRN No.007220 S

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

(K.V. Sivakumar)
Partner
M.No.027437
Date : 6th May 2025
Place : Valapad
UDIN: 25027437BMITSZ6122

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550
Regd Office: 9th Floor, No. 9, Club House Road, Anna Salai, Chennai - 600002
Statement of Audited Standalone Financial Results for the quarter and year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

S.No	Particulars	Quarter ended			Year ended	
		31-03-2025	31-12-2024	31-03-2024	31-03-2025	31-03-2024
		Audited (Refer Note 13)	Unaudited	Audited (Refer Note 13)	Audited	Audited
I	**Revenue from operations**					
	(a) Interest income	49,549.50	64,737.95	69,215.03	2,59,886.89	2,51,408.75
	(b) Net Gain on derecognition of financial instruments under amortised cost category	945.25	1,379.29	2,946.39	9,140.47	14,250.01
	(c) Dividend income and gain on sale of mutual fund	-	12.50	-	12.50	-
	(d) Other operating income	590.55	274.19	409.82	1,502.94	2,472.68
	Total revenue from operations	**51,085.30**	**66,403.93**	**72,571.24**	**2,70,542.80**	**2,68,131.44**
II	Other income	207.79	142.01	980.15	2,896.18	5,062.75
III	**Total income (I+II)**	**51,293.09**	**66,545.94**	**73,551.39**	**2,73,438.98**	**2,73,194.19**
IV	**Expenses**					
	(a) Finance cost	21,717.55	26,272.83	25,990.89	1,03,426.01	94,741.32
	(b) Impairment of financial instruments	84,906.43	47,254.38	15,827.89	1,69,678.42	46,372.95
	(c) Employee benefit expenses	16,294.53	12,379.21	13,238.88	56,280.29	48,838.71
	(d) Depreciation and amortisation expense	1,335.39	1,691.82	1,532.70	5,720.06	5,076.24
	(e) Other expenses	6,436.14	4,247.37	3,169.19	19,434.74	16,001.49
	Total expenses (IV)	**1,30,690.04**	**91,845.61**	**59,759.55**	**3,54,539.52**	**2,11,030.71**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**	**(79,396.95)**	**(25,299.67)**	**13,791.84**	**(81,100.54)**	**62,163.48**
VI	**Exceptional items**	-	-	-	-	-
VII	**Profit / (Loss) before tax for the period / year (V- VI)**	**(79,396.95)**	**(25,299.67)**	**13,791.84**	**(81,100.54)**	**62,163.48**
VIII	**Tax expense**					
	(1) Current tax	(4,996.80)	(3,338.20)	6,516.50	-	19,448.50
	(2) Deferred tax charge / (credit)	(11,800.08)	(3,183.72)	(2,907.81)	(17,228.85)	(3,287.96)
	(3) Tax relating to earlier years	-	-	-	-	172.57
	Total Tax expense	**(16,796.88)**	**(6,521.92)**	**3,608.69**	**(17,228.85)**	**16,333.11**
IX	**Profit / (Loss) after tax for the period / year (VII - VIII)**	**(62,600.07)**	**(18,777.75)**	**10,183.15**	**(63,871.69)**	**45,830.37**
X	**Other comprehensive income**					
A	(i) Items that will not be reclassified to profit or loss					
	a. Remeasurement gains and (losses) on defined benefit obligations (net)	(24.60)	50.50	(57.49)	(11.84)	(247.61)
	b. Fair value changes in equity instrument	-	-	0.00	-	(0.10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	6.19	(12.71)	14.47	2.98	62.35
	Subtotal (A)	**(18.41)**	**37.79**	**(43.02)**	**(8.86)**	**(185.36)**
B	(i) Items that will be reclassified to profit or loss					
	a. Fair value changes on derivatives designated as cash flow hedge (net)	(103.74)	45.15	(51.28)	(158.94)	(411.51)
	b. Fair value changes on Investment held as FVOCI	349.49	(136.48)	125.43	761.18	241.86
	(ii) Income tax relating to items that will be reclassified to profit or loss	(61.85)	22.99	(18.66)	(151.57)	42.70
	Subtotal (B)	**183.90**	**(68.34)**	**55.49**	**450.67**	**(126.95)**
	Other comprehensive Income / (Loss) for the period / year (A + B)	**165.49**	**(30.55)**	**12.47**	**441.81**	**(312.31)**
XI	**Total Comprehensive Income for the period/year (Comprising Profit/(Loss) and Other Comprehensive Income) (IX + X)**	**(62,434.58)**	**(18,808.30)**	**10,195.62**	**(63,429.88)**	**45,518.06**
	Paid-up equity share capital (Face value of Rs. 10 per equity share)	20,028.34	20,028.34	20,028.34	20,028.34	20,028.34
	Earnings per share (EPS) (Face value of Rs. 10 per equity share)					
	- Basic (in Rs)	(31.26)	(9.38)	5.16	(31.89)	23.24
	- Diluted (in Rs)	(31.26)	(9.38)	5.16	(31.89)	23.24
	EPS for the Quarter ended 31 March 2025, 31 March 2024 and 31 December 2024 are not annualised)					
	Other equity as per Balance Sheet.	Not Applicable	Not Applicable	Not Applicable	1,31,447.45	1,94,881.60

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 002220S

For Identification purpose

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550
Regd Office: 9th Floor, No. 9, Club House Road, Anna Salai, Chennai - 600002
Statement of Audited Standalone Financial Results for the year ended 31 March 2025

1. Statement of Assets and Liabilities

(All amounts in Rs. Lakhs unless otherwise stated)

S.No	Particulars	As at 31-03-2025	As at 31-03-2024
		Audited	Audited
I	**ASSETS**		
1	**Financial assets**		
	(a) Cash and cash equivalents	25,627.98	96,254.64
	(b) Bank balance other than (a) above	39,607.62	37,196.96
	(c) Loans	7,01,609.22	10,29,534.74
	(d) Loans given to staff	-	153.07
	(e) Investments	40,877.14	38,326.13
	(f) Derivative financial instruments	1,118.24	1,356.72
	(g) Other financial assets	7,864.63	13,826.85
	Total Financial assets	**8,16,704.83**	**12,16,649.11**
2	**Non-financial assets**		
	(a) Current tax assets (net)	8,194.08	2,002.91
	(b) Deferred tax assets (net)	27,633.81	10,557.81
	(c) Investment property	8.64	8.64
	(d) Property, plant and equipment	8,601.71	7,670.26
	(e) Right of use asset	10,649.89	10,858.93
	(f) Other intangible assets	3,062.81	1,918.31
	(g) Intangible assets under development	-	-
	(h) Other non financial assets	1,938.66	1,381.94
	Total Non-financial assets	**60,089.60**	**34,398.80**
	Total assets	**8,76,794.43**	**12,51,047.91**
II	**LIABILITIES AND EQUITY**		
1	**Financial liabilities**		
	(a) Derivative financial instruments	-	-
	(b) Other payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,813.10	2,121.53
	(c) Debt securities	2,486.87	61,989.07
	(d) Borrowings (other than debt security)	6,26,374.72	8,73,570.67
	(e) Subordinated liabilities	64,959.13	65,130.40
	(f) Other financial liabilities	26,502.02	30,677.78
	Total Financial liabilities	**7,23,135.84**	**10,33,489.45**
2	**Non-financial liabilities**		
	(a) Current tax liabilities (net)	-	-
	(b) Provisions	1,164.87	1,179.90
	(c) Other non-financial liabilities	1,017.93	1,468.62
	Total Non-financial liabilities	**2,182.80**	**2,648.52**
3	**Equity**		
	(a) Equity share capital	20,028.34	20,028.34
	(b) Other equity	1,31,447.45	1,94,881.60
	Total Equity	**1,51,475.79**	**2,14,909.94**
	Total liabilities and equity	**8,76,794.43**	**12,51,047.91**

For Identification purpose

A. JOHN JOSEPH & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550
Regd Office: 9th Floor, No. 9, Club House Road, Anna Salai, Chennai - 600002
Statement of Audited Standalone Financial Results for the year ended 31 March 2025

2. Cash Flow Statement

(All amounts in Rs. Lakhs unless otherwise stated)

	Particulars	As at 31-03-2025 Audited	As at 31-03-2024 Audited
A	**Cash flow from operating activities**		
	Profit / (Loss) before tax for the period / year	(81,100.54)	62,163.48
	Adjustments for:		
	Depreciation and amortisation expense	5,720.06	5,076.24
	Impairment of financial instruments Amortisation of assets & Loss on derecognition of financial assets (Refer note no.10)	1,69,678.42	46,372.95
	Provision for insurance claim receivable	(229.93)	(82.67)
	Provision for Receivable from Resigned Staff	4,626.35	-
	Loss/(Profit) on sale of fixed assets (net)	(0.20)	0.34
	Dividend income	(12.50)	-
	Finance cost	1,03,426.01	94,741.32
	Interest on deposits	(9,411.16)	(5,838.77)
	Share based payments to employees	-	0.64
	Operating profit before working capital changes	**1,92,696.51**	**2,02,433.53**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Loans	1,65,167.08	(2,06,513.79)
	Loans given to staff	153.07	(132.95)
	Other financial assets	1,565.80	(1,866.52)
	Other non financial assets	(556.72)	(103.76)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	691.57	334.71
	Other financial liabilities	(10,451.17)	4,675.21
	Other non financial liabilities	(450.69)	(431.55)
	Other provisions	(26.87)	(115.71)
	Net cash flow generated / (used in) operations	**3,48,788.58**	**(1,720.83)**
	Net Income tax paid	(6,186.91)	(18,172.06)
	Net cash generated / (used in) in operating activities (A)	**3,42,601.67**	**(19,892.89)**
B	**Cash flow from investing activities**		
	Proceeds from sale of property, plant and equipment	1,008.22	5.70
	Purchase of property, plant and equipment	(3,091.20)	(2,311.06)
	Purchase of other intangible assets	(2,415.45)	(1,777.72)
	Net movement in bank deposits	(1,763.21)	(3,518.08)
	Dividend received	12.50	-
	Investments	(8,709.81)	(20,476.10)
	Interest income on deposits	8,763.71	5,838.66
	Net cash flow generated / (used in) from investing activities (B)	**(6,195.24)**	**(22,238.60)**
C	**Cash flow from financing activities**		
	Increase in Share Capital	-	412.11
	Increase in Security Premium	-	14,587.89
	Proceeds from long term borrowings - term loans	4,11,887.81	6,13,687.50
	Repayment of long term borrowings - term loans	(6,41,143.53)	(4,09,528.75)
	Interest paid on term loans	(83,816.96)	(67,891.73)
	Proceeds from long term borrowings - debentures	-	27,500.00
	Repayment of long term borrowings - debentures	(55,716.67)	(54,468.50)
	Interest paid on debentures	(15,047.18)	(17,250.24)
	Interest paid on securitisation	(1,755.14)	(3,931.84)
	Repayment of Over Draft	-	(10,018.62)
	Interest paid on OD	(1.81)	(127.20)
	Repayment of securitisation borrowings	(18,300.17)	(6,673.08)
	Proceeds from short term borrowings - commercial paper	-	8,355.00
	Repayment of short term borrowings - commercial paper	-	(8,355.00)
	Interest paid on Commercial Borrowing	-	(145.01)
	Processing and arranger Fee paid	(335.92)	(773.88)
	Other interest and charges paid	(2,803.52)	(1,984.67)
	Net cash flow generated / (used in) from financing activities (C)	**(4,07,033.09)**	**83,393.98**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(70,626.66)	41,262.49
	Cash and cash equivalents at the beginning of the period / year	96,254.64	54,992.15
	Cash and cash equivalents at the end of the period / year	**25,627.98**	**96,254.64**
	Cash and cash equivalents as per above comprise of the following		
	(a) Cash on hand	974.88	1,343.11
	(b) Balances with banks		
	- In current accounts	20,895.50	36,634.30
	- In deposit accounts - with original maturity of less than 3 months	3,757.60	58,277.23
	Balance as per statement of cash flow	**25,627.98**	**96,254.64**

For Identification Purpose.

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550
Regd Office: 9th Floor, No. 9, Club House Road, Anna Salai, Chennai - 600002
Statement of Audited Standalone Financial Results for the quarter and year ended 31 March 2025

Notes to the Audited Standalone Financial Results:

3. The Audited standalone financial results have been reviewed by the Audit Committee and subsequently have been approved by the Board of Directors of Asirvad Micro Finance Limited (the Company) at its meetings held on 5 May 2025 and 6 May 2025 respectively and audited by statutory auditors, pursuant to regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The above standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("IndAs") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, and other recognised accounting practices generally accepted in India along with circulars, guidelines and directions issued by RBI from time to time.

These Audited standalone financial results are available on the website of the Company viz https://asirvadmicrofinance.co.in/results/ and on the website of BSE Limited (www.bseindia.com). The Audited standalone financial results are prepared following the same accounting policies and practices as those followed in the audited annual financial statements for the year ended 31 March 2025.

4. The Company is primarily engaged in the business of Micro Finance and hence, does not have any additional disclosures to be made under Ind AS108 - Operating Segments.

5. The business restrictions that were imposed on the company by RBI vide their order dated October 17, 2024 have been lifted vide their order dated January 08, 2025.

6. The following are the details of nature and extent of security provided towards secured listed non convertible debentures.

Serial Number	ISIN Number	Nature of security	Outstanding balance as on 31 March 2025 (Amount in Rs. lakhs)	Rate of Interest	Security Cover
1	INE516Q07465	Accounts Receivable	2,500.00	9.30%	100%

7. Details of loan transferred for the year ended 31 March 2025 under the RBI Master Direction on Transfer of Loan Exposures dated 24 September 2021 are given below :
a. Details of transfer through direct assignment in respect of loans not in default for the year ended and quarter ended 31 March 2025 :

Serial Number	Particulars	Year Ended 31 March 2025	Quarter Ended 31 March 2025
1	No of loans transferred	1,11,168	Nil
2	Aggregate amount of loans transferred (Rs. In Lakhs)	45,468	Nil
3	Weighted average residual maturity (in years)	1.82	Nil
4	Weighted average holding period (In years)	0.60	Nil
5	Retention of beneficial interest	0.10	Nil
6	Tangible security Cover	Nil	Nil
7	Rating wise distribution of loans acquired by value	Nil	Nil

b.The Company has not transferred any non-performing assets for the quarter ended 31 March 2025.
c.The Company has not acquired any loan through assignment for the quarter ended 31 March 2025.
d.The Company has not acquired any stressed loans during the for ended 31 March 2025.

8. Details of stressed loan assets transferred to Asset reconstruction Company and investment made in security receipts ('SRs') during the quarter and year ended 31 March 2025, under Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021 are given below:

	Particulars	Year Ended 31 March 2025	Quarter Ended 31 March 2025
(i)	Number of Accounts (Nos.)	88,172	Nil
(ii)	Aggregate principal outstanding of loans transferred	20,003.57	Nil
(iii)	Weighted average residual tenure of the loans transferred (Months)	11.80	Nil
(iv)	Net book value of loans transferred (At the time of transfer)*	10,761.84	Nil
(v)	Aggregate consideration	8,500.00	Nil
(vi)	Additional consideration realised in respect of accounts transferred in earlier	-	Nil
(vii)	Investment in Security Reciepts (SR) #	7,390.00	Nil

#SRs currently not rated, to be rated within timelines as per RBI guidelines.
*Net book value includes accrued interest net of ECL provision

for Identification Purpose

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550
Regd Office: 9th Floor, No. 9, Club House Road, Anna Salai, Chennai - 600002
Statement of Audited Standalone Financial Results for the quarter and year ended 31 March 2025

9. Details of Recovery Ratings Assigned to Security Receipts ("SRs")

Recovery Rating Scale	Implied Recovery	Net Book Value (Amount in Rs. lakhs)
RR5	More than 0% and upto 25%	1,978.00
RR3	More than 52% and upto 75%	1,205.07
RR1	More than 100% and upto 150%	16,233.46

Total carrying amount of SRs held by the Company is Rs.19,416.54 lakhs (Gross book value: Rs.26,336.52 lakhs*, impairment allowance: Rs.6,919.98 lakhs) as on 31 March 2025.

10. The Company had invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers as per notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 and no RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 on "Resolution Framework for COVID-19-related Stress" dated 06 August 2020 and 05 May 2021, respectively. The resolution plans were based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the Reserve Bank of India.

Disclosure for the half year ended 31 March 2025 as per Format B specified by RBI:

(Amount in Rs.Lakhs)

Serial Number	Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of previous half year (A)*	Of (A),aggregate debt that slipped into NPA during the half year	Of (A), amount written off during the half year	Of (A), amount paid by borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of this half year.
1	MSME loans	84.08	0.27	-	8.33	75.74
2	Others	3.91	0.69	1.00	2.83	0.08
	Total	87.99	0.96	1.00	11.16	75.82

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

11. Additional information as required under Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (amended) as presented in below table.

Serial Number	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1	Debt equity ratio (no. of times)	4.41	4.21
2	Debt service coverage ratio	NA	NA
3	Interest service coverage ratio	NA	NA
4	Outstanding redeemable preference shares	Nil	Nil
5	Capital redemption reserve (Amount in Rs. Lakhs)	500.00	500.00
6	Debenture redemption reserve	NA	NA
7	Net worth (Amount in Rs. Lakhs)	1,51,475.79	2,14,909.94
8	Net profit after tax (Amount in Rs. Lakhs)	(63,871.69)	45,830.37
9	Earnings per share (Face value of Rs.10 per equity share)		
	Basic (in Rs.)	(31.89)	23.24
	Diluted (in Rs.)	(31.89)	23.24
10	Current ratio (no. of times)	1.32	1.46
11	Long term debt to working capital (no. of times)	1.75	0.91
12	Bad debts to accounts receivable ratio	-	-
13	Current liability ratio (no. of times)	0.52	0.58
14	Total debts to total assets (no. of times)	0.76	0.72
15	Debtors turnover	-	-
16	Inventory turnover	-	-
17	Operating margin (%)	-29.66%	22.75%
18	Net profit margin (%)	-23.36%	16.78%
19	**Sector specific equivalent ratios**		
	GNPA%	8.54%	3.75%
	NNPA%	2.46%	1.71%
20	Provision coverage ratio	73.03%	55.24%
21	Capital to risk-weighted assets ratio (Calculated as per RBI guidelines)	20.93%	22.79%

For Identification Purpose

A. JOHN MORIS & CO. FRN 000220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550
Regd Office: 9th Floor, No. 9, Club House Road, Anna Salai, Chennai - 600002
Statement of Audited Standalone Financial Results for the quarter and year ended 31 March 2025

The following are the formulae used for the computation of ratios presented above

Serial Number	Ratio	Formula
1	Debt Equity Ratio	[Debt securities + Borrowings (Other than debt securities) + Subordinate Liabilities - Cash and cash equivalents]/[Equity share capital + Other equity]
2	Total debt to total assets	[Debt securities + Borrowings (Other than debt securities) + Subordinate Liabilities - Cash and cash equivalents]/[Total assets]
3	Operating Margin	[Profit before tax (PBT)]/[Total Income]
4	Net Profit Margin	[Profit after tax(PAT)]/[Total Income]
5	% of Gross NPA	[Stage III loans]/[Gross loan outstanding]
6	% of Net NPA	[Stage III loans - Expected Credit Losses (ECL) on stage III loans]/[Gross loan outstanding - ECL on Stage III Loans]
7	Current Ratio	[Current assets] / [Current liabilities]
8	Current Liability Ratio	[Current Liabilities] / [Total Liabilities]
9	Provision coverage ratio	[ECL on Stage III loans] / Stage III loans
10	Long term debt to working capital	[Long term debt] / [current assets-current liabilities]

NA - The company is registered under the Reserve bank of India Act,1934 as Non-Banking Financial Company, hence these ratios are not applicable

12. The Microfinance industry has faced significant challenges in the current financial year due to several factors, resulting in the Company's non-compliance with certain covenants related to PAR 30, PAR 60, GNPA, non-performing loans, tangible net worth, and quarterly profitability as of 31 March 2025. The Company has been in ongoing discussions with its lenders and is confident that no immediate repayment of borrowed funds will be demanded due to this non-compliance. As of the date of these financial results, none of the lenders have raised any such concerns, and therefore, no adjustments are required in these financial results.

13. The figures for the quarter ended 31 March 2025 are the balancing figures between the Audited figures of the year ended 31 March 2025 and the unaudited figures for the nine months ended 31 December 2024. The figures for quarter and year to date ended 31 March 2024 are audited.

14. Previous period figures have been regrouped / reclassified wherever necessary to conform with the current period presentation.

For and on behalf of the Board of Directors

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Place : Valapad
Date : 6 May 2025

For Identification Rupose

JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550
Regd Office: 9th Floor, No.9, Club House Road, Anna Salai, Chennai, Tamil Nadu, PIN - 600002

Related Party Transactions (H2 FY 2024-2025)											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
Sr No.	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction (see Note 5)	Value of the related party transaction as approved by the audit committee (see Note 6a) (Rs. In Lakhs)	Value of transaction during the reporting period (see Note 6b) (Rs. In Lakhs)	In case monies are due to either party as a result of the transaction (see Note 1)		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance (Rs. In Lakhs)	Closing balance (Rs. In Lakhs)	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost (See Note 7)	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end usage)
1	Asirvad Micro Finance Limited		Manappuram Comptech and Consultants Limited		Fellow subsidiary	Annual/monthly charges related to Software	3,000.00	524.20	(18.88)	(20.26)								
2	Asirvad Micro Finance Limited		Manappuram Comptech and Consultants Limited		Fellow subsidiary	Software development charges		775.43	(105.64)	(141.04)								
3	Asirvad Micro Finance Limited		Manappuram Finance Limited		Parent Company	Rent Payable	100.00	10.42	(2.95)	-								
4	Asirvad Micro Finance Limited		Manappuram Finance Limited		Parent Company	Rent Receivable(Including Reimbursement)	40.00	16.17	4.52	2.01								
5	Asirvad Micro Finance Limited		Manappuram Finance Limited		Parent Company	Training Expense	360.00	48.14	-	(14.73)								
6	Asirvad Micro Finance Limited		Manappuram Finance Limited		Parent Company	Sub Debt	15,000.00	-	(15,000.00)	(15,000.00)								
7	Asirvad Micro Finance Limited		Manappuram Finance Limited		Parent Company	Interest approved is 11.25% for Sub Debt amount Rs. 15000 Lakh	2,000.00	841.44	(638.01)	(1,479.45)								
8	Asirvad Micro Finance Limited		Manappuram Foundation		A trust in which a Director is Managing Trustee	CSR fund Transferred	700.00	367.87	-	-								
9	Asirvad Micro Finance Limited		Mr. S V Raja Vaidyanathan		Director	Sub Debt	NA	-	(340.00)	(340.00)								
10	Asirvad Micro Finance Limited		Mrs. Girija Vaidyanathan		Relative of Director	Sub Debt	NA	-	(30.00)	(30.00)								
11	Asirvad Micro Finance Limited		Mr. S V Raja Vaidyanathan		Director	Interest approved is 13.5% for Sub Debt amount Rs. 340 Lakh	60.00	23.14	-	-								
12	Asirvad Micro Finance Limited		Mrs. Girija Vaidyanathan		Relative of Director	Interest approved is 13.5% for Sub Debt amount Rs. 30 Lakh	6.00	2.04	-	-								
13	Asirvad Micro Finance Limited		Manappuram Insurance Brokers Limited		Fellow subsidiary	Insurance Commission on insurance premium paid by Asirvad Micro Finance Limited	100 Lakh per transaction	0.88	-	-								
Total (of Note 6b)								**2,609.73**										

Notes:

1. The details in this format are required to be provided for all transactions undertaken during the reporting period. However, opening and closing balances, including commitments, to be disclosed for existing related party transactions even if there is no new related party transaction during the reporting period.
2. Where a transaction is undertaken between members of the consolidated entity (between the listed entity and its subsidiary or between subsidiaries), it may be reported once.
3. Listed banks shall not be required to provide the disclosures with respect to related party transactions involving loans, inter-corporate deposits, advances or investments made or given by the listed banks.
4. For companies with financial year ending March 31, this information has to be provided for six months ended September 30 and six months ended March 31. Companies with financial years ending in other months, the six months period shall apply accordingly.
5. Each type of related party transaction (for e.g. sale of goods/services, purchase of goods/services or whether it involves a loan, inter-corporate deposit, advance or investment) with a single party shall be disclosed separately and there should be no clubbing or netting of transactions of same type. However, transactions with the same counterparty of the same type may be aggregated for the reporting period. For instance, sale transactions with the same party may be aggregated for the reporting period and purchase transactions may also be disclosed in a similar manner. There should be no netting off for sale and purchase transactions. Similarly, loans advanced to and received from the same counterparty should be disclosed separately, without any netting off.
6. In case of a multi-year related party transaction:
   a. The aggregate value of such related party transaction as approved by the audit committee shall be disclosed in the column "Value of the related party transaction as approved by the audit committee".
   b. The value of the related party transaction undertaken in the reporting period shall be reported in the column "Value of related party transaction during the reporting period".
7. "Cost" refers to the cost of borrowed funds for the listed entity.
8. PAN will not be displayed on the website of the Stock Exchange(s).
9. Transactions such as acceptance of fixed deposits by banks/NBFCs, undertaken with related parties, at the terms uniformly applicable /offered to all shareholders/ public shall also be reported.
10. (a) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties.
    (b) The Related Parties have confirmed to the Management that as at 31 March 2025 there are no further amounts payable to / receivable from them, other than as disclosed above.
    (c) The transactions during the period, Opening balance and Closing balance are Inclusive of GST wherever applicable.
11. The debentures purchased by Mr. S. V. Raja Vaidyanathan (Director) and Mrs. Girija Vaidyanathan (Relative of director) are from the secondary market, for which approval of Audit Committee was not required.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

for Identification Purpose.

ASIRVAD MICRO FINANCE LIMITED

Independent Auditor's Report

To the Members of **Asirvad Micro Finance Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Asirvad Micro Finance Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub section (10) of the section 143 of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

Expected Credit Loss - Impairment of carrying value of loans and advances

Refer to Note 3(i) of significant accounting policies and Note 39.

Under Ind AS 109, Expected Credit Losses ('ECL') are required to be determined for recognizing impairment losses on financial assets which are stated at amortized cost. The Company exercises significant judgment using assumptions in recognizing impairment provision for loans and advances.

The computation of impairment provision or ECL is based on significant management estimates and judgments, which are as under:-

- Judgements about credit risk characteristics for collective evaluation of impairment under various stages of ECL
- Qualitative and quantitative factors used in staging the loan assets carried at amortized cost.
- Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD").
- Consideration of probability scenarios and forward looking macro-economic factors

ECL requires a large variety of data such as historical data, macro-economic & state specific variables as an input to the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.

In view of the criticality of the item to the Financial Statements, complex nature of assumptions, & judgements exercised by the management and loans forming a major portion of the Company's assets and impairment charge for the year being material to the net loss for the year, in our opinion this is considered as a Key Audit Matter.

Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate.

Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. These procedures included the following:-

- Read the Company's Board approved Ind-AS 109 based impairment provisioning Methodology and Estimates policy.
- Understood and assessed the Company's processes and controls on measurement and recognition of impairment in the loan portfolio
- Verified on a sample basis, loans in stage 1, 2 and 3 to ascertain that they were allocated to the appropriate stage
- Test checked the Probability of Default ('PD') and Loss Given Default ('LGD') computations performed by the management, including testing data used in assessment and evaluation of whether the results support appropriateness of the PDs at a portfolio level.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

- In the current financial year, the component of Macro Economic Factor is also included in computation of the percentages for Expected Credit Losses in view of the market trends in the sector.
- Test checked the computations of determining Exposure at Default (EAD)
- Test checked the manner of determining significant increase in credit risk and the resultant basis for classification of exposures into various stages.
- Performed an assessment of the ECL provision at each stage to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
- Tested the arithmetical accuracy of the computations made by the Company
- Perused the disclosures in the financial statements in respect of ECL and specific disclosures made in adherence with RBI guidelines related to COVID-19 packages.
- We have also obtained management representations wherever considered necessary.

IT Systems and Controls

The Company operates in a complex IT environment that involves substantial reliance on its IT systems which are extensively used in the operations of the Company for processing and recording voluminous data impacting key financial data including loans, interest income, repayment collections data and impairment of financial instruments. These IT systems are also extensively used in the financial reporting process.

Adequate IT General Controls, application controls and access controls are required to ensure that such IT systems are able to process the data to ensure data consistency, accuracy and reliability especially for financial reporting.

We have identified IT Systems and Controls impacting financial reporting as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture including its extensive use in the financial reporting process. Our audit outcome is dependent on the effective functioning of such IT systems.

We performed audit procedures set out below:

- Obtained an understanding of the Company's business IT environment and key changes if any during the audit period that may be relevant to the audit.
- Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis.
- We have tested and reviewed on the sample basis computation performed by the IT systems including that of interest income.
- We have placed reliance on audit report issued by the independent third-party auditor as appointed by the Company for review of Information Security and IT General Control.
- We have also obtained management representations wherever considered necessary

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and The Board of Directors are responsible for preparation of the other information.

The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated when we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) "The Auditor's Responsibilities Relating to Other Information".

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

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

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

In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing,

A. JOHN MORIS & CO., FRN 007220S CHARTERED ACCOUNTANTS

as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements are as 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 the standalone financial Statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the 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

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

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 standalone financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that :
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

A. JOHN MORIS & CO., CHARTERED ACCOUNTANTS FRN 007220S

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2020 as amended;

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS 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 at March 31, 2026, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026, from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2020 as amended;

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**'

3. 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, 2020 as amended, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 41 to the Standalone Financial Statements as at March 31, 2026;

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2026;

c) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026; and

d) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the standalone financial statements (Refer Note 69 to the Standalone Financial Statements), no funds have been advanced or loaned

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (Refer Note 69 to the Standalone Financial Statements), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

e) The Company has neither declared any dividend nor paid any dividend during the year.

f) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2020 on preservation of audit trail as per the statutory requirements for record retention, based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, including the capturing of database Administrator Activities and disabling of the edit option for the audit logs by the Database Administrator. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act;

For **A.John Moris & Co,**
Chartered Accountants
FRN No.007220S





(K.V. Sivakumar)
Partner
M.no.027437
Date: April 30, 2026
Place: Valapad

UDIN: 26027437ZTCRMF3265

Annexure A

To the Independent Auditors' Report – March 31, 2026

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report to the members of the Company of even date:

i. a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment including intangible assets.

b) In our opinion, the Company's program of physically verifying Property, Plant and Equipment once in three years, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, the physical verification of Property, Plant and Equipment were physically verified by the Company during the current year. On verification it was observed that there are discrepancies in physical Mapping of the assets with negligible value, The company is in the process of mapping the same.
c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) classified as Property Plant and Equipment, are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

e) According to the information and explanations given to us and based on management representations, there are no proceedings initiated or pending against the Company as at March 31, 2026, for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. A) The Company is in the business of providing micro finance loans and therefore, it does not hold any physical inventories. Accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company.

No.5, Lakshmipuram 1st Street, Deivasigamani Road (Near Music Academy), Royapettah, Chennai - 600 014.
Tel : +91-44-2811 6003-4 / 2811 1712, 7667034935, E-mail : info@ajohnmoris.com, Website : www.ajohnmoris.com

Branches : Ahmedabad / Bengaluru / Bhubaneswar / Chittoor / Coimbatore / Delhi / Erode / Guwahati / Hyderabad / Jharkand / Kochi / Madurai / Mumbai / Nagercoil / Nagpur / Surat / Thrissur / Tirunelveli / Tiruppur / Trivandrum / Tuticorin / Visakhapatnam

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions based on the security of current assets. According to the information and explanation given to us and the records examined by us, the quarterly returns, or statements, were not required to be filed by the Company during the year as these working capital limits utilised during the year were against liquid securities placed with such banks or financial Institutions.

iii. A) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

b) The investments made, guarantees provided, security given and loans and advances granted in our opinion, prima facie, are not prejudicial to the interest of the Company.

c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 4,11,392 cases having loan outstanding balance as at year end aggregating to Rs. 22,060.05 lakhs wherein the repayments of principal and interest are not regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where repayment of principal and interest have not been regular.

d) In respect of loans granted by the Company, the total amount overdue for more than 90 days as at the balance sheet date are as under;

Number of cases	Principal overdue (₹ Lakhs)	Interest overdue (₹ lakhs)	Total amount (₹ Lakhs)
4,11,392	18,248.15	3,811.89	22,060.05

According to the information and explanation given to us and the records examined by us, the Company has taken reasonable steps to recover the principal and interest amount.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

e) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

iv. There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are attracted. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, 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 Companies 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. According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended for the services of the Company, and, hence, reporting on clause 3 (vi) of the Order is not applicable to the Company.

vii. A) According to the information and explanations given to us, and on the basis of examination of the books of account of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amount payable was outstanding, at the year end, for a period of more than six months from the date they became payable.

b) According to records of the Company and the information and explanations given to us, there are no statutory dues as mentioned in sub clause vii(a) above which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Details of dues of Income Tax, which have not been deposited as at March 31, 2026, on account of dispute are given below:

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

Name of the Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pendin g	Amount Involved Rs.
Income-Tax act 1961	Income Tax	AY 2015-16	CIT(A)	1,48,184
Income-Tax act 1961	Income Tax	AY 2020-21	CIT(A)	21,34,39,330
Income-Tax act 1961	Income Tax	AY 2020-21	CIT(A)	1,79,73,243
Income-Tax act 1961	Income Tax	AY 2021-22	CIT(A)	5,57,35,960
Income-Tax act 1961	Income Tax	AY 2022-23	CIT(A)	6,15,344
Income-Tax act 1961	Income Tax	AY 2023-24	CIT(A)	18,75,58,310
Income-Tax act 1961	Income Tax	AY 2024-25	CIT(A)	19,94,98,030

Details of dues of Goods and service tax, which have not been deposited as at March 31, 2026, on account of dispute are given below:

Name of the Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Amount Involved Rs.
Goods and Service Tax	GST	FY 2017-18	APL	74,791
Goods and Service Tax	GST	FY 2022-23	Office of deputy commissioner of GST	35,97,538
Goods and Service Tax	GST	FY 2017-20	Adjudicating Authority	60,94,312

viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

income in the tax assessments made during the year under the Income Tax Act, 1961 (43 of 1961).

ix. A) In our opinion and according to the information and explanations given to us, 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 as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

c) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.

d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been, prima facie, used for long term purposes during the year by the Company.

e) The Company does not have subsidiary, associate or joint venture Company, accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not have subsidiary, associate, or joint venture, accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. A) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not raised any money by way of an initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has allotted shares only through a rights issue, and all applicable provisions pertaining to right issue under Section 62(1)(a) of the Companies Act, 2013 have been duly complied with

A. JOHN MORIS & CO., FRN 007220S CHARTERED ACCOUNTANTS

xi. a) According to information and explanation given to us, and on the basis of examination of the books and records of the Company, we have come across instances of frauds on the Company amounting to 1754.92 lakhs (Aggregate amount), which have been noticed and reported during the year.

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

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 our audit procedures.

xii. The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transaction with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.

xiv. A) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

B) The internal audit covers critical areas such as financial controls, compliance, risk management, and operational efficiency.

C) We have considered, the internal audit reports provided to us for the year under audit, and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

A. JOHN MORIS & CO., FRN 007220S, CHARTERED ACCOUNTANTS

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

b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial activities or Micro Finance activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India.

d) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has not been any resignation of the statutory auditors of the Company during the year hence reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of projected cashflows, financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. 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.

A. JOHN MORIS & CO., FRN 007220S, CHARTERED ACCOUNTANTS

xx. A) Other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility (CSR) to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

b) In respect of ongoing projects, the Company has no unspent amount towards Corporate Social Responsibility (CSR) to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company for the year.

xxi. Reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements of the Company. Accordingly, no Comment has been included in respect of the said clause under this report.

For **A.John Moris & Co,**
Chartered Accountants
FRN No.007220S

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

(K.V. Sivakumar)
Partner
M.no.027437
Date : April 30, 2026
Place : Valapad

UDIN: 26027437ZTCRMF3265

Annexure B

To the Independent Auditors' Report – March 31, 2026

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

We have audited the Internal Financial Controls with reference to the Standalone Financial Statements of Asirvad Micro Finance Limited ('the Company') as at March 31, 2026, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to Standalone Financial Statements and such internal financial controls over financial reporting 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.

For **A.John Moris & Co,**
Chartered Accountants
FRN No.007220S





(K.V. Sivakumar)
Partner
M.no.027437
UDIN: 26027437ZTCRMF3265
Date: April 30, 2026
Place: Valapad

Appendix I - Component Auditor' s Confirmations

To,
Mr. Soorej Kombaht
KKC & Associates LLP
Chartered Accountant
(formerly Khimji Kunverji & Co LLP)
Level 19, Sunshine Tower,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai 400013.

Mr. Vineet Saxena
Chokshi & Chokshi LLP
Chartered Accountants
15/17, Raghavji 'B' Building, Ground Floor,
Raghavji Road, Gowalia Tank,
Off Kemps Corner,
Mumbai – 400 036

Re: Asirvad Micro Finance Limited

This letter is provided in connection with your audit of financial results of Manappuram Finance Limited (referred to herein as the 'Company' or the 'Parent Company') and its subsidiary (together referred as the 'Group') for the the financial year ending 31 March 2026 for the purpose of expressing an opinion on the Group's Consolidated Financial Statements that nothing has come to attention that causes you to believe that the Consolidated Financial Statements of the Group prepared in accordance with Indian Accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

1. Confirmation to comply with the Group Audit Instructions

1.1. We acknowledge receipt of your Group Audit Instructions, requesting us to perform the specified work on the financial information of Component for the financial year ended 31st March 2026.

1.2. We acknowledge that we have read the Group Audit Instructions provided by you in connection with the Group Audit. We believe that we will be able to comply with the requirements set forth in the Group Audit Instructions that are relevant to the work that you requested us to perform on the financial information of the Component, including meeting all relevant reporting deadlines and complying with the relevant professional standards set forth by the Group engagement team.

A. JOHN MORIS & CO., CHARTERED ACCOUNTANTS FRN 007220S

1.3. The instructions are clear, and we understand the work to be performed by us and understand that the Group engagement team will use our work for purposes of the audit of the Group's Consolidated Financial Statements.

1.4. We are aware that the financial information of Asirvad Microfinance Limited is to be included in the consolidated financial information on which you will report.

1.5. There are no requirements of confidentiality or local laws and regulations that prohibit or restrict your involvement in our Audit or our communications to you or your access to audit documentation relevant to the audit of the Group's Consolidated Financial Statement.

However, with regard company's data sharing, group auditors may get the request through the group finance team and receive the information from the component, as you are aware that we also abide by confidentiality agreement. However, we will be sharing the audit-related information required by the group engagement team and accordingly the details are provided.

2. Confirmation to cooperate with the Group engagement team

2.1. We agree to cooperate with you in connection with the audit of the Group's Consolidated Financial Statement, including enabling the involvement you consider appropriate in our audit and providing you access to audit documentation prepared in connection with the audit of the Group's Consolidated Financial Statement upon your request.

2.2. We believe that we will be able to comply with the requirements set forth in the Group Audit Instructions that are relevant to the work that you requested us to perform on the financial information of the Component, including meeting all relevant reporting deadlines and complying with the relevant professional standards set forth by the Group engagement team.

3. Ethical and Independence requirements

3.1. We have an understanding of the Companies Act, 2013, Code of Ethics issued by the Institute of Chartered Accountants of India and Code of Ethics for Professional Accountants, including the requirements related to Public Interest Entities issued by the International Ethics Standards Board for Accountants that is sufficient to fulfill our responsibilities in the audit of the Group's Consolidated Financial Statement, and will comply therewith. In particular, and with respect to Component and the Group, we are independent within the meaning of as required under the Companies Act, 2013, Code of Ethics issued by the Institute of Chartered Accountants of India and Code of Ethics for Professional Accountants, including the requirements related to Public Interest Entities issued by the International Ethics Standards Board for Accountants and comply with the applicable requirements of the said rules.

3.2. We are not aware of any circumstances that may have threatened, or may have appeared to threaten, our independence; and we will continue to take steps and monitor our services to maintain our continued compliance with these requirements at least until completion of the Group Audit.

3.3. We have notified all individual engagement team members of the requirement to immediately report breaches or suspected breaches of independence policies to the component audit engagement partner or the Ethics and Independence Partner of the component auditor's member firm.

No.5, Lakshmipuram 1st Street, Deivasigamani Road (Near Music Academy), Royapettah, Chennai - 600 014.
Tel : +91-44-2811 6003-4 / 2811 1712, 7667034935, E-mail : info@ajohnmoris.com, Website : www.ajohnmoris.com

4. Professional Competencies

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

4.2. We confirm that we have obtained an understanding of the professional competencies described in the Group Audit Instructions that are necessary to perform this engagement. The component engagement partner(s) and manager(s) with responsibility for the work to be performed possess the necessary professional competence to perform this engagement.

4.3. We have an understanding of applicable Standards on Auditing and Indian Accounting standards, and the additional procedures outlined by you in the group audit instructions that is sufficient to fulfill our responsibilities in the audit of the Group's Consolidated Financial Statement and will conduct our work on the financial information of Component for the year ended 31st March 2025 in accordance with those standards.

4.4. We possess the skills (e.g., industry specific knowledge) necessary to perform the work on the financial information of the Component.

4.5. We understand Indian Accounting standards, and the additional requirements outlined by you in Group audit instructions that you have informed us and will ensure compliance with the applicable financial reporting framework in India sufficient to fulfil our responsibilities in the audit of the Group's Consolidated Financial Statement.

4.6. An independent Oversight Body actively oversees the auditing profession in which we operate and monitors the quality of our audits.

4.7. We will inform you of any changes in the above representations during our work on the financial results of the Component.

5. Risk Assessment

5.1. We will inform you of any additional significant risk of error or fraud, identified during our audit, at Component level or at the Group level, if any and further audit procedures that we plan to perform to respond to each significant risk.

6. Confirmation

6.1. We will inform you, as soon as practicable, of any changes in the representations made above and any changes in our Component Materiality for audit procedures when performing our procedures on the financial information of the component for purposes of the audit of the Group's Consolidated Financial Statement.

6.2. We also will inform you, as soon as practicable, if we later determine that we cannot comply with other aspects of the Group Audit Instructions or if we become aware of other information that may be relevant to the audit of the Group's Consolidated Financial Statement.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

6.3. We provide our consent for the inclusion of our name and reference of our Conclusion on the financial results of the Component in your conclusion on the Consolidated audited Financial Results.

For and on behalf of

A. John Moris & Co
Chartered Accountants
FRN: 007220 S

(K.V Sivakumar)
Partner
ICAI Membership No.: 027437
Place: Valapad

No.5, Lakshmipuram 1st Street, Deivasigamani Road (Near Music Academy), Royapettah, Chennai - 600 014.
Tel : +91-44-2811 6003-4 / 2811 1712, 7667034935, E-mail : info@ajohnmoris.com, Website : www.ajohnmoris.com

Branches : Ahmedabad / Bengaluru / Bhubaneswar / Chittoor / Coimbatore / Delhi / Erode / Guwahati / Hyderabad / Jharkand / Kochi / Madurai / Mumbai / Nagercoil / Nagpur / Surat / Thrissur / Tirunelveli / Tiruppur / Trivandrum / Tuticorin / Visakhapatnam

Asirvad Micro Finance Limited
Balance Sheet as on March 31, 2026
CIN-U65923TN2007PLC064550

(All amounts in ₹ Lakhs unless otherwise stated)

	Particulars	Note No.	As at March 31,2026	As at March 31, 2025
I	**Assets**			
1	**Financial assets**			
	(a) Cash and cash equivalents	5	84,239.53	25,627.98
	(b) Bank balance other than those disclosed in (a) above	6	24,934.48	39,607.62
	(c) Loans	7(a)	6,02,182.63	7,01,609.22
	(d) Loans given to staff	7(b)	-	-
	(e) Investments	8	62,569.61	41,092.33
	(f) Derivative financial instruments	14	1,315.70	1,118.24
	(g) Other financial assets	9	3,430.23	7,671.21
	Total Financial assets		**7,78,672.18**	**8,16,726.60**
2	**Non-financial Assets**			
	(a) Current tax assets (net)	10	8,115.67	8,194.08
	(b) Deferred tax assets (net)	11(a)	53,853.88	27,633.81
	(c) Investment property	12	8.64	8.64
	(d) Property, plant and equipment	12	7,705.87	8,601.71
	(e) Right of use asset	12	9,140.64	10,649.89
	(f) Other intangible assets	12	3,175.54	3,062.81
	(g) Intangible assets under development	12	-	-
	(h) Other non financial assets	13	2,554.84	1,936.80
	Total Non-financial assets		**84,555.08**	**60,087.74**
	Total Assets		**8,63,227.26**	**8,76,814.34**
II	**Liabilities and equity**			
1	**Financial liabilities**			
	(a) Derivative financial instruments	14	-	-
	(b) Other payables	15		
	(i) total outstanding dues of micro enterprises and small		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,883.66	2,045.38
	(c) Debt securities	16	44,051.13	2,486.87
	(d) Borrowings (other than debt securities)	17	4,73,456.19	6,26,374.72
	(e) Subordinated liabilities	18	65,055.43	64,959.13
	(f) Lease Liability	18(a)	11,282.17	12,366.64
	(g) Other financial liabilities	19	18,099.52	14,923.01
	Total Financial liabilities		**6,13,828.10**	**7,23,155.75**
2	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	20 (a)	-	-
	(b) Provisions	20 (b)	1,179.94	1,164.87
	(c) Other non-financial liabilities	21	1,044.33	1,017.93
	Total Non-financial liabilities		**2,224.27**	**2,182.80**
3	**Equity**			
	(a) Equity share capital	22	33,263.63	20,028.34
	(b) Other equity	23	1,34,852.21	1,31,447.45
	(c) Share application money pending allotment	22.1	79,059.05	
	Total Equity		**2,47,174.89**	**1,51,475.79**
	Total Liabilities and Equity		**8,63,227.26**	**8,76,814.34**
	Corporate Information and Significant Accounting Policies	1-4		

The accompanying notes from 1 to 71 form an integral part of the Financial Information
As per our report of even date attached

For A.JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

K.V.Sivakumar
Partner
ICAI Membership Number: 027457

Date: April 30, 2026
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

G D Manoj Pasangha
Chief Executive Officer

Dr. Roy Varghese
Chief Executive Officer

Rajesh KRN Namboodiripad
Chief Financial Officer

Mithun B Shenoy
Company Secretary

Date: April 30, 2026
Place: Valapad

Asirvad Micro Finance Limited
Statement of Profit and Loss for the period ended March 31, 2026
CIN-U65923TN2007PLC064550

(All amounts in ₹ Lakhs unless otherwise stated)

	Particulars	Note No.	Year ended March 31,2026	Year ended March 31, 2025
I	**Revenue from operations**			
	Interest income	24 (a)	1,30,708.12	2,44,889.99
	Net Gain on derecognition of financial instruments under amortised cost category	24 (b)	2,870.11	9,140.47
	Dividend income	24 (c)	4.34	12.50
	Fees and commission income	24(d)	281.89	1,016.17
	Other operating income	25	16,738.74	16,632.93
	Total Revenue from operations		**1,50,603.20**	**2,71,692.06**
II	Other income	26	249.46	1,746.92
III	**Total income (I + II)**		**1,50,852.66**	**2,73,438.98**
IV	**Expenses**			
	Finance cost	27	60,921.90	1,03,426.01
	Impairment of financial instruments	28	1,01,313.83	1,74,304.77
	Employee benefit expenses	29	47,724.16	51,653.94
	Depreciation and amortisation expense	30	6,791.16	5,720.06
	Other expenses	31	17,679.33	19,434.74
	Total expenses (IV)		**2,34,430.38**	**3,54,539.52**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**(83,577.72)**	**(81,100.54)**
VI	**Exceptional items**		-	-
VII	**Profit / (Loss) before tax for the period (V- VI)**		**(83,577.72)**	**(81,100.54)**
VIII	**Tax expense**			
	(1) Current tax	11 (b)	-	-
	(2) Deferred tax charge / (credit)	11 (b)	(18,481.73)	(17,228.85)
	(3) Tax relating to earlier years	11 (b)	(7,190.22)	-
	Total Tax expense		**(25,671.95)**	**(17,228.85)**
IX	**Profit / (Loss) after tax for the period (VII - VIII)**	1,309.86	**(57,905.78)**	**(63,871.69)**
X	**Other comprehensive income**			
A	(i) Items that will not be reclassified to profit or loss:			
	a. Remeasurement gains and (losses) on defined benefit obligations (net)	23	(9.03)	(11.84)
	b. Fair value changes in equity instrument		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	23	2.27	2.98
	Subtotal (A)		**(6.76)**	**(8.86)**
B	(i) Items that will be reclassified to profit or loss			
	a. Fair value changes on derivatives designated as cash flow hedge (net)	23	(2.47)	(158.94)
	b. Fair value changes on Investment held as FVOCI	23	(595.42)	761.18
	(ii) Income tax relating to items that will be reclassified to profit or loss	23	150.48	(151.57)
	Subtotal (B)		**(447.41)**	**450.67**
	Other comprehensive Income / (Loss) for the period (A + B)		**(454.17)**	**441.81**
XI	**Total comprehensive Income / (Loss) for the period (IX + X)**		**(58,359.95)**	**(63,429.88)**
XII	**Earnings per equity share (Face Value of ₹ 10/- per share)**			
	- Basic (₹)	33	-20.60	-31.89
	- Diluted (₹)	33	-20.60	-31.89
	Corporate Information and Significant Accounting Policies	1-4		

The accompanying notes from 1 to 71 form an integral part of the Financial Information
As per our report of even date attached

For A.JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No. 007220S

K.V.Sivakumar
Partner
ICAI Membership Number 024117

Date: April 30, 2026
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

G D Manoj Pasangha
Chief Executive Officer

Dr. Roy Varghese
Chief Executive Officer

Rajesh KRN Namboodiripad
Chief Financial Officer

Mithun B Shenoy
Company Secretary

Date: April 30, 2026
Place: Valapad

Asirvad Micro Finance Limited
Statement of Cash Flow for the year ended March 31, 2026
CIN-U65923TN2007PLC064550

(All amounts in ₹ Lakhs unless otherwise stated)

	Particulars	Year ended March 31,2026	Year ended March 31, 2025
A	**Cash flow from operating activities**		
	Profit / (Loss) before tax for the year	**(83,577.72)**	**(81,100.54)**
	Adjustments for:		
	Depreciation and amortisation expense	7,068.54	5,759.67
	Impairment of financial instruments Amortisation of assets & Loss on derecognition of financial assets (Refer note no.10)	101,313.83	174,304.77
	Provision for insurance claim receivable	15.08	(229.93)
	Loss/(Profit) on sale of fixed assets (net)	(6.85)	(6.60)
	Dividend income	(4.34)	(12.50)
	Finance cost	60,921.90	103,426.01
	Interest on deposits	(4,084.01)	(9,075.35)
	Operating profit before working capital changes	**81,646.43**	**193,065.53**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Loans	3,880.81	163,074.68
	Loans given to staff	-	153.07
	Other financial assets	4,225.90	6,385.57
	Other non financial assets	(618.04)	(554.86)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	(161.72)	(76.15)
	Other financial liabilities	(969.57)	(9,582.44)
	Other non financial liabilities	26.40	(450.69)
	Other provisions	6.04	(26.87)
	Net cash flow generated / (used in) operations	**88,036.25**	**351,987.84**
	Net Income tax paid	(316.96)	(6,186.91)
	Net cash generated / (used in) in operating activities (A)	**87,719.29**	**345,800.93**
B	**Cash flow from investing activities**		
	Proceeds from sale of property, plant and equipment	32.59	6.93
	Purchase of property, plant and equipment	(1,867.55)	(3,091.20)
	Purchase of other intangible assets	(3,182.07)	(2,415.46)
	Net movement in bank deposits	14,673.14	(2,410.66)
	Dividend received	4.34	12.50
	Investments	(23,211.24)	(7,593.77)
	Interest income on deposits	5,522.16	8,427.90
	Net cash flow generated / (used in) from investing activities (B)	**(8,028.63)**	**(7,063.76)**
C	**Cash flow from financing activities**		
	Increase in Share Capital	13,235.29	-
	Increase in Security Premium	61,764.70	-
	Increase in Share application money pending allotment	79,059.05	
	Proceeds from long term borrowings - term loans	300,000.00	411,887.81
	Repayment of long term borrowings - term loans	(450,051.72)	(641,143.53)
	Interest paid on term loans	(46,313.82)	(83,816.96)
	Hedge liability		
	Prepaid processing charges		
	Proceeds from long term borrowings - debentures	29,500.00	-
	Repayment of long term borrowings - debentures	(2,495.00)	(55,716.67)
	Interest paid on debentures	(7,795.13)	(15,047.18)
	Prepaid processing charges		

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

Particulars	Year ended March 31,2026	Year ended March 31, 2025
Repayment of short term borrowings - commercial paper	-	-
Interest paid on Commercial Borrowing		-
Processing and arranger Fee paid	(2,277.70)	(1,378.78)
Other interest and charges paid	(1,135.18)	(2,803.52)
Net cash flow generated / (used in) from financing activities (C)	**(21,079.11)**	**(4,09,363.82)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	58,611.55	(70,626.66)
Cash and cash equivalents at the beginning of the year	25,627.98	96,254.64
Cash and cash equivalents at the end of the year (Refer Note 5)	**84,239.53**	**25,627.98**
Cash and cash equivalents as per above comprise of the following		
(a) Cash on hand	490.42	974.88
(b) Balances with banks		
- In current accounts	4,677.79	20,895.50
- In deposit accounts - with original maturity of less than 3 months	79,071.32	3,757.60
Balance as per statement of cash flow	**84,239.53**	**25,627.98**

Corporate Information and Significant Accounting Policies 1-4

The accompanying notes from 1 to 71 form an integral part of the Financial Information

As per our report of even date attached

For A.JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

K.V.Sivakumar
Partner
ICAI Membership Number: 027127

Date: April 30, 2026
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

ASIRVAD MICRO FINANCE LIMITED

V P Nandakumar
Chairman
(DIN No.00044512)

G D Manoj Pasangha
Chief Executive Officer

Dr. Roy Varghese
Chief Executive Officer

Rajesh KRN Namboodiripad
Chief Financial Officer

Mithun B Shenoy
Company Secretary

Date: April 30, 2026
Place: Valapad

Asirvad Micro Finance Limited
Statement of changes in equity for the year ended March 31, 2026
CIN-U65923TN2007PLC064550

(All amounts in ₹ Lakhs unless otherwise stated)

A. Equity Share Capital

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the reporting period	20,028.34	20,028.34
Changes in Equity Share Capital due to prior period errors	-	-
Changes in Equity share capital during the current period / year	13,235.29	-
Balance at the end of the reporting period	**33,263.63**	**20,028.34**

B. Other Equity

(1) For the Period March 31, 2026

Particulars	Reserves and Surplus							Other Comprehensive Income					
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	Tax related to items that will not be reclassified	Total
Balance at the beginning of the current reporting period (As at April 01,2025)	81,113.74	23,657.55	500.00	-	154.30	25,823.61	(302.43)	84.91	0.55	490.54	(144.81)	69.49	131,447.45
Changes in accounting policy or prior period errors	-	-	-		-	-	-	-				-	-
Restated balance at the beginning of the current reporting period	81,113.74	23,657.55	500.00	-	154.30	25,823.61	(302.43)	84.91	0.55	490.54	(144.81)	69.49	131,447.45
Total Comprehensive Income for the current period	-	-	-	-	-	(57,905.78)	(9.03)	(2.47)	-	(595.42)	150.48	2.27	(58,359.95)
Issue of share capital	61,764.70	-	-	-	-	-	-	-	-	-	-	-	61,764.70
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To/From	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal during the period	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period(as at March 31, 2026)	**142,878.44**	**23,657.55**	**500.00**	**-**	**154.30**	**(32,082.16)**	**(311.46)**	**82.44**	**0.55**	**(104.88)**	**5.66**	**71.76**	**134,852.21**

(2) For the Year Ended March 31, 2025

Particulars	Reserves and Surplus												
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	OCI (Tax related to items that will not be reclassified)	Total
Balance at the beginning of the current reporting period (As at April 01,2024)	81,113.74	23,657.55	500.00	16.93	141.64	89,695.30	(290.59)	243.85	0.55	(270.64)	6.76	66.51	194,881.60
Changes in accounting policy or prior period errors													-
Restated balance at the beginning of the current reporting period	81,113.74	23,657.55	500.00	16.93	141.64	89,695.30	(290.59)	243.85	0.55	(270.64)	6.76	66.51	194,881.60
Total Comprehensive Income for the current year	-	-	-	-	-	(63,871.69)	(11.84)	(158.94)	-	761.18	(151.57)	2.98	(63,429.88)
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To/From	-	-	-	(16.93)	16.93	-	-	-	-	-	-	-	-
Reversal During the Year	-	-	-	-	(4.27)	-	-	-	-	-	-	-	(4.27)
Balance at the end of the current reporting period(as at March 31,2025)	**81,113.74**	**23,657.55**	**500.00**	**-**	**154.30**	**25,823.61**	**(302.43)**	**84.91**	**0.55**	**490.54**	**-144.81**	**69.49**	**131,447.45**

The accompanying notes from 1 to 71 form an integral part of the Financial Information
This is the statement of changes in equity referred to in our report of even date

A. JOHN MORIS & CO., CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

1 Corporate information

Asirvad Micro Finance Limited was incorporated in August 29, 2007 under the provisions of Companies Act, 1956. The Company is a Non-Banking Financial Company - Systemically Important Non-Deposit taking Company – Microfinance Institution (NBFC-MFI). The company is registered as a Microfinance Institution under the Non Banking Financial Company-Micro Finance Institution (Reserve Bank) Directions, 2011 as amended, vide RBI letter dated October 04, 2013 with Registration Number N-07-00769 dated October 04, 2013.The company's registered address is Ceebros Manjula, 3rd Floor, Office No - 1, New No.39, Old No. 45, Montieth Road, Egmore, Opp: Indian Red Cross Society, Chennai - 600008

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. The Company provides small value collateral free loans with fortnightly/monthly repayments. The company follows the Grameen Model with suitable adoptions using the group where each member is responsible for the loan repayment of the other members of the group.
In addition to the core business of providing micro-credit, the company also provides secured loans to Micro Small and Medium Enterprise ('MSME') and also provides gold loans.

2 Basis of preparation and presentation of financial information

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

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

(ii) Historical cost convention

The financial information have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial information have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(iii) Critical accounting estimates and judgements

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

Business model assessment

The Company determines the business model at a level that reflects how the 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 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 accordingly prospective change to the classification of those assets are made.

Defined employee benefit assets and liabilities

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

Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Company makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance.

Provisions

Provisions created in respect of a range of future obligations such as litigation. Some of the provisions involve significant judgment about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate, which reflects both current interest rates and the risks specific to that provision.

Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of asset.

3 Summary of significant accounting policies

(a) Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 002220S

ASIRVAD MICRO FINANCE LIMITED

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the Straight Line Method over the useful life of the assets as prescribed under Part 'C' of Schedule II, which is also the the management's estimates of useful lives of such assets.

Asset class	Useful Life
Furniture and Fixtures including Electrical fittings	10
Leasehold Improvements	5
Office Equipment	5
Vehicles	8
Computers and others	3

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.The residual value has been assigned as ₹1

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is de-recognised.

(b) Investment Property

Initial recognition and measurement

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

De-recognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognised.

(c) Intangible assets

Initial recognition and measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation method, useful lives and residual value)

Intangible assets are amortised over a period of three years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost.
Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and repair the asset to be capable of operating in the manner intended by management. These are recognised as assets when the company demonstrate following recognition requirements:

a. The development costs can be measured reliably
b. The project is technically and commercially feasible
c. The company intends to and has sufficient resources to complete the project
d. The company has the ability to use or sell such intangible asset
e. The asset will generate probable future economic benefits.

(d) Revenue recognition

Interest and processing fee income on loans

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

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets regarded as 'Stage 3', the Company recognizes interest income on the net amortized cost of financial assets at EIR. If financial asset is no longer credit-impaired, Company reverts to calculating interest income on a gross basis

Overdue interest is recognized only when it is reasonably certain that the ultimate collection will be made.

Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

Referral income

Income from cross sale services is recognized on accrual basis when the service is rendered taking into account the number of units sold at the rates applicable according to the terms of the agreement.

Interest on fixed deposits

Interest income on deposits with banks is recognized in time proportion basis taking into account the amount outstanding and the rate applicable using the effective interest rate (EIR) method.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

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

(e) Finance cost

Finance cost consists of interest and other cost that the Company incurred in connection with the borrowing of funds. All other finance costs are charged to the statement of profit and loss as incurred basis the effective interest rate method.

(f) Taxation

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

(g) Employee benefits

Defined contribution plan

(i) Provident fund

This is a defined contribution plan where contributions are remitted to provident fund authorities in accordance with the relevant statute and charged to the Statement of Profit and Loss in the period in which the related employee services are rendered. The Company has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

Defined benefit plan

(i) Gratuity

The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

(ii) Compensated absences

The Company provides benefit of compensated absences under which unavailed leave are allowed to be accumulated to be availed in future. The compensated absences comprises of both vesting and non vesting benefit. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period.

Short-term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share based payments

The Company has formulated an Employees Stock Option Scheme. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity.

The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(h) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use.
If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.
The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

(i) Impairment of financial assets

The Expected Credit Loss (ECL) is being adopted for all products provided by the company

The Expected Credit Loss (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 12m ECL 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. Both LTECLs and 12m ECLs are calculated on a collective basis for identified homogenous pool of loans.

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:
· Stage 1 (0-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.

· Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

· Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The ECL is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) is based on the amounts the Company expects to be owed at the time of default. Management overlay is included in determining the lifetime ECL. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss account.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

(k) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:
· Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
· Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(l) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(m) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:
a. Amortized cost
b. Fair Value Through Other Comprehensive Income (FVTOCI) or
c. Fair Value Through Profit or Loss (FVTPL).
All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) Financial asset carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:
(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:
(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and selling financial assets
(b) The contractual terms of the financial asset meet the SPPI test.

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

(iii) Financial assets carried at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or
b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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. If the Company retains the right to service the financial asset for a fee, it recognises either a service asset or a service liability for that servicing contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the Company adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

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 that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

Classification and Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial instruments

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

(n) Derivative financial instruments

The Company enters into derivative financial instruments, cross currency swaps, to manage its borrowing exposure to foreign exchange.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.
At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge Accounting

Hedges that meet the criteria for hedge accounting are accounted for, as described below: Cash Flow Hedges
A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.
For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as Finance Cost in the statement of profit and loss.
When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss.
When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

(o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(p) Segment reporting

The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

(q) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR / ₹), which is the Company's functional and presentation currency

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non- monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

(r) Securitisation and direct assignment

The securitised assets where the Company has not transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall not be de-recognized and proceeds received from securitisation shall be recognised as borrowings and interest thereon shall be recognised as finance cost.

The direct assignment transaction where the Company has transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall be de-recognized. Similarly, the gain on sale of assets arising from a direct assignment transactions, has been recognised on de-recognition as interest only strip.

(s) Statement of cash flows

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

4 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 001220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

		As at March 31,2026	As at March 31, 2025
5	**Cash and cash equivalents**		
	(a) Cash on hand	490.42	974.88
	(b) Balances with banks		
	- In current accounts	4,677.79	20,895.50
	- In deposit accounts - not covered under lien (less than 3 months)	79,071.32	3,757.60
		84,239.53	**25,627.98**
5.1	Of the above, the balances that meet the definition of cash and cash equivalents as per Ind AS 7 cash flow statements	84,239.53	25,627.98
6	**Bank balance other than those disclosed in (a) above (Also, refer note 17.1)**		
	Balances with Banks		
	- In Deposit Accounts - not covered under lien (3 months & above)	676.83	627.25
	- In Deposit Accounts - under lien (Refer note 6.1 below)	24,257.64	38,980.38
		24,934.48	**39,607.62**

6.1 Deposit accounts under lien comprise of:

Deposits (excluding accrued interest) amounting to ₹ 21,983.50 Lakhs(at March 31, 2025 ₹ 35,482.06 Lakhs) have been placed with certain banks for obtaining term loans.
Deposits (excluding accrued interest) ₹ 1,923.67 Lakhs (As at March 31, 2025 ₹ 1,719.66 Lakhs) are placed as credit enhancement (cash collateral) towards PTC transactions.

7(a)	**Loans (at amortised cost)**		
	- Micro Finance Loans	430,957.96	668,792.42
	- Gold Loans	204,525.44	99,575.15
	- MSME Loans	1,830.33	5,504.09
	Loans	**637,313.73**	**773,871.66**
	Less : Impairment loss allowance	**35,131.10**	**72,262.45**
	Total	**602,182.63**	**701,609.22**
	(i) Secured		
	Loans	206,031.92	103,579.92
	Less : Impairment loss allowance	1,411.79	862.82
	Sub Total	**204,620.13**	**102,717.10**
	(ii) Unsecured		
	Loans	431,281.81	670,291.74
	Less : Impairment loss allowance	33,719.31	71,399.63
	Sub Total	**397,562.50**	**598,892.11**
	Grand Total	**602,182.63**	**701,609.22**
7(b)	**Loans given to staff (at amortised cost)**		
	Loans to Staff	-	-
		-	-

7.1

Particulars	As at March 31, 2026	As at March 31, 2025
The loan receivables reflected in Note No. 7(a) excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognisation as per Ind AS 109. The amounts given are net of minimum retention retained in the books	44,009.14	54,394.43

7.2

Particulars	As at March 31, 2026	As at March 31, 2025
Provisions as per RBI Income Recognition, Asset Classification and Provisioning Norms (IRACP norms)	20,000.14	21,497.53
Provisions as per ECL model under Ind AS 109	35,131.10	72,262.45
Amount recorded in the books	35,131.10	72,262.45

As at March 31, 2026

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss 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
(A)	(B)	(C)	(D)	E = (C-D)	(F)	(G) = (D-F)
Performing assets						
Standard	Stage 1	598,980.26	11,640.36	587,339.90	2,443.91	9,196.45
	Stage 2	6,264.72	2,393.16	3,871.56	25.36	2,367.80
Non Performing Assets (NPA)						
Substandard	Stage 3	25,961.75	17,079.86	8,881.89	11,818.76	5,261.10
Doubtful						
Up to one year	Stage 3	3899.50	2565.43	1,334.08	4,099.58	-1,534.15
1 to three year	Stage 3	2056.82	1353.15	703.67	1,460.77	-107.62
More than three year	Stage 3	150.69	99.13	51.55	151.76	-52.62
Subtotal for doubtful		**6107.01**	**4017.71**	**2089.29**	**5712.11**	**-1694.39**
Total	**Stage 1**	**598,980.26**	**11,640.36**	**587,339.90**	**2,443.91**	**9,196.45**
	Stage 2	**6,264.72**	**2,393.16**	**3,871.56**	**25.36**	**2,367.80**
	Stage 3	**32,068.75**	**21,097.57**	**10,971.18**	**17,530.87**	**3,566.71**
Total		**637,313.73**	**35,131.10**	**602,182.64**	**20,000.14**	**15,130.96**

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

As at March 31, 2025

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss 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
(A)	(B)	(C)	(D)	E = (C-D)	(F)	(G) = (D-F)
Performing assets						
Standard	Stage 1	651,342.83	14,930.23	636,412.60	2,661.18	12,269.05
	Stage 2	50,099.41	9,485.72	40,613.69	206.85	9,278.87
Non Performing Assets (NPA)						
Substandard	Stage 3	65,843.24	43,495.69	22,347.55	15,841.84	27,653.85
Doubtful						
Up to one year	Stage 3	5002.86	3304.87	1,698.00	1,881.15	1,423.72
1 to three year	Stage 3	1440.38	951.51	488.87	767.56	183.95
More than three year	Stage 3	142.94	94.43	48.51	138.95	-44.53
Subtotal for doubtful		**6586.18**	**4350.80**	**2235.39**	**2787.66**	**1563.13**
Total	**Stage 1**	**651,342.83**	**14,930.23**	**636,412.60**	**2,661.18**	**12,269.05**
	Stage 2	**50,099.41**	**9,485.72**	**40,613.69**	**206.85**	**9,278.87**
	Stage 3	**72,429.42**	**47,846.50**	**24,582.93**	**18,629.50**	**29,216.99**
Total		**773,871.66**	**72,262.45**	**701,609.22**	**21,497.53**	**50,764.91**

* The Loss Allowance Provision on all stages including Stage 3 is computed on Outstanding Balance i.e Principal Outstanding + Accrued Interest of advances before giving effect of Ind AS adjustments.

7.3 The Stage wise break of loans reflected above (Refer Note 7a and 7b) is given below :

(A) As at March 31, 2026

Loan Receivables	Stage 1: 0-30 days	Stage 2: 31-90 days	Stage 3: >90 days
i. Loans considered as Qualifying	395,657.47	5,744.18	29,062.94
ii. Loans considered as Non Qualifying Assets	203,322.79	520.54	3,005.81
Gross Carrying Amount of Loans	**598,980.26**	**6,264.72**	**32,068.75**
Less : Impairment loss allowance	11,640.36	2,393.16	21,097.57
Net Loans	**587,339.90**	**3,871.56**	**10,971.18**

(B) As at March 31, 2025

Loan Receivables	Stage 1: 0-30 days	Stage 2: 31-90 days	Stage 3: >90 days
i. Loans considered as Qualifying	547,955.05	47,669.50	65,001.65
ii. Loans considered as Non Qualifying Assets	103,387.79	2,429.90	7,427.77
Gross Carrying Amount of Loans	**651,342.84**	**50,099.41**	**72,429.42**
Less : Impairment loss allowance	14,930.23	9,485.72	47,846.49
Net Loans	**636,412.61**	**40,613.68**	**24,582.93**

7.4 Reconciliation of impairment allowance on Loans

Particulars	Amount
Impairment allowance as at March 31, 2024	**33,484.36**
Add: Impairment allowance provided in statement of Profit & Loss	174,304.77
Less: Impairment allowance Utilised for writing off Loss assets	112,763.41
Less: Impairment allowance Utilised for porfolio sold to ARC	13,252.94
Less: Impariment allowance provided for other Financial Assets	4,688.52
Less: Impariment allowance provided for Security Receipts	4,821.82
Impairment allowance as at March 31, 2025	**72,262.45**
Add: Impairment allowance provided in statement of Profit & Loss	101,313.83
Less: Impairment allowance Utilised for writing off Loss assets	59,586.55
Less: Impairment allowance Utilised for porfolio sold to ARC	69,342.51
Less: Impariment allowance provided for other Financial Assets	7,782.16
Less: Impariment allowance provided for Security Receipts	1,733.95
Impairment allowance as at March 31, 2026	**35,131.10**

7.5 Disclosure for securitisation of Standard Assets outstanding as on reporting date as per Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025.

Particulars	As at March 31 2026	As at March 31 2025
(i) No of SPVs sponsored by the NBFC for securitisation transactions		
a.Through Direct assignment	33	33
b.Through PTC	3	4
Total	**36**	**37**
(ii) Total amount of securitised assets as per books of the SPVs Sponsored		
a.Through Direct assignment	42,874.73	55,706.03
b.Through Pass through Ceritificates	11,780.70	22,070.42
Total	**54,655.43**	**77,776.45**
(iii) Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
First loss	4,833.84	6,203.92
Others	-	-
Pass through Ceritificates	-	-
(iv) Amount of exposures to securitisation transactions Other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitizations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	430.91	1,492.76
Others		-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
(v) Sale consideration received for the securitised assets and gain / loss on sale on account of securitisation	35,744.92	60,491.72
(vi) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	1,923.67	2,440.66
MFI 11 2023 WELLINGTON	-	720.99
AMFL DINKAN JAN 24	-	226.90
MFI 08 2024 PARIS	716.24	716.24
MFI 03 2025 INDUS	776.53	776.53
MFI 02 2026 SKY	430.91	-
TOTAL	**1,923.67**	**2,440.66**

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

(vii) Performance of facility provided.				
	Nature of facility	**Name**		
(a) Amount paid	Credit enhancement	MFI 02 2026 SKY	430.91 (7.00%)	
(b) Repayment received			-	
(c) Outstanding amount			430.91 (7.00%)	
(a) Amount paid	Credit enhancement	MFI 08 2024 PARIS		716.24 (6.50%)
(b) Repayment received				-
(c) Outstanding amount				716.24 (6.50%)
(a) Amount paid	Credit enhancement	MFI 03 2025 INDUS		776.53 (7.00%)
(b) Repayment received				-
(c) Outstanding amount				776.53 (7.00%)
(a) Amount paid		**TOTAL**	**430.91 (7.00%)**	**1492.76 (6.75%)**
(b) Repayment received			-	-
(c) Outstanding amount			**430.91 (7.00%)**	**1492.76 (6.75%)**
(viii) Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc			Nil	Nil
(ix) Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.			Nil	Nil
(x) Investor complaints				
(a) Directly / Indirectly received and;			Nil	Nil
(b) Complaints outstanding			Nil	Nil

7.6 **Details of Financial Assets sold to Securitisation Company**

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Total number of loan assets securitized during the year		
a.Through Direct assignment	66,481	111,168
b.Through PTC	14,958	48,885
	81,439	**160,053**
Book value of loan assets securitized during the year		
a.Through Direct assignment	33,765.92	45,468.06
b.Through PTC	6,155.85	22,112.26
	39,921.77	**67,580.32**
Sale consideration received during the year		
a.Through Direct assignment	30,389.33	40,921.26
b.Through PTC	5,355.59	19,570.46
	35,744.92	**60,491.72**
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised		
a.Through Direct assignment	-	4,546.81
b.Through PTC	800.26	2,541.80
	800.26	**7,088.60**
Gain / (loss) on the securitization transaction recognised in P&L		
Through PTC & Direct assignment	2,870.11	9,140.47
Gain / (loss) on the securitization transactions deferred	-	-
Through PTC & Direct assignment	-	-
	2,870.11	**9,140.47**
Quantum of Credit Enhancement provided on the transactions in the form of deposits		
a.Through Direct assignment	-	-
b.Through PTC	430.91	1,492.76
	430.91	**1,492.76**
Quantum of Credit Enhancement as at year end		
a.Through Direct assignment	3,376.59	4,546.81
b.Through PTC	1,231.17	4,367.36
	4,607.76	**8,914.16**
Interest spread Recognised in the Statement of Profit and Loss during the Year		
a.Through Direct assignment	2,870.11	9,140.47
b.Through PTC	-	-
	2,870.11	**9,140.47**

Note : The securitised loans through PTC disclosed in the above notes, i.e 7.5 and 7.6 do not qualify for de-recognition under Ind AS.
Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

7.7 No disclosure has been presented as per RBI notification RBI/2019-20/220 DOR,No.BP.DC.63/21.04,048/2020-21 Dated: April 17, 2020; as the balances are Nil.

	As at March 31,2026	**As at March 31, 2025**
8 Investments		
Investments at fair value through other comprehensive income		
Outside India		
In India		
(i) Unquoted Equity instruments	-	5.75
(ii) Investment in Government Securities	20,301.37	20,889.19
Sub Total	**20,301.37**	**20,894.94**
Investments at fair value through Profit or Loss		
Outside India	-	-
In India		
(i) Investment in Security Receipts	50,595.13	26,336.52
(ii) Investment in Pass Through Certificates	332.80	786.60
Sub Total	**50,927.93**	**27,123.12**
Gross Total	**71,229.30**	**48,018.06**
Less : Allowance for impairment loss *	8,659.69	6,925.73
Total	**62,569.61**	**41,092.33**

* The Impairment allowance on security receipts have been arrived at after considering the valuation report. In the absence of NAV report the Company considers internal estimates.

9 Other financial assets		
(a) Security deposits	1,024.61	1,041.12
(b) EIS Receivable on Direct assignments	903.58	2,744.47
(c) Funds in transit	1,018.88	711.81
(d) Others	483.16	3,173.82
	3,430.23	**7,671.21**
10 Current tax assets (net)		
Advance income tax	8,115.67	8,194.08
	8,115.67	**8,194.08**
11(a) Deferred tax assets (net)		
Deferred tax assets (net)	53,853.88	27,633.81
	53,853.88	**27,633.81**

A. JOHN MORRIS & CO. FRN 007228S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

11 (b) Current tax and deferred tax

(i) Income tax expense

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025
(a) Current tax in respect of current year	-	-
(b) Deferred tax relating to origination and reversal of temporary differences	(18,481.73)	(17,228.85)
(c) Tax relating to earlier year	(7,190.22)	-
Total tax expense recognised in statement of profit and loss	**(25,671.95)**	**(17,228.85)**

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025
Profit Before tax from operations	(83,577.72)	(81,100.54)
Income Tax using the company's domestic Tax rate #	(21,034.84)	(20,413.01)
Effect of income exempt from tax	-	-
Effect of other permanent differences	20.40	161.72
Effect on utilisation of accumulated losses during the year	-	-
Effect of change in tax rate	-	-
Effect of deferred tax remeasurement	2,532.71	3,022.44
Effect of change in previous year tax amount	(7,190.22)	-
Income tax recognised in the statement of profit & loss	**(25,671.95)**	**(17,228.85)**

The tax rate used for the year ended March 31, 2026 and March 31, 2025 reconciliations above are the Corporate tax rate of 22%, applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income tax act.

(iii) Income tax on other comprehensive income

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025
Deferred tax		
Remeasurement of defined benefit obligation	(2.27)	(2.98)
Fair value changes on Equity Investment held as FVOCI	-	-
Fair value changes on derivatives designated as cash flow hedge (net)	(0.62)	(40.01)
Fair value changes on Other Investment held as FVOCI	(149.86)	191.58
Total	**(152.75)**	**148.59**

(iv) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet

Particulars	For the year ended March 31, 2026				
	Opening Balance	(Charge)/Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/deferred Tax liability :					
Property, plant and equipment	374.15	107.60	-	-	481.75
Provision for employee benefits	1,635.40	(719.68)	2.27	-	917.99
Provision for loan receivables	22,746.05	(11,724.82)	-	-	11,021.23
Provision for fraud insurance claim receivable	525.90	(525.91)	-	-	(0.00)
Effective interest rate on borrowings	625.64	(575.22)	-	-	50.42
Documentation fee on loans	1,264.40	(700.75)	-	-	563.65
Effect of implementation of Ind AS 116	567.55	93.05	-	-	660.61
Effective interest rate on DA and PTC loans	39.69	(149.35)	-	-	(109.65)
CY and PY Losses	-	40,262.38	-	-	40,262.38
Equity Investment held as FVOCI	(0.14)	-	-	-	(0.14)
Gain / loss on hedge valuation	(21.37)	-	0.62	-	(20.75)
Investment held as FVOCI	(123.47)	-	149.86	-	26.39
Total	**27,633.81**	**26,067.32**	**152.75**	**-**	**53,853.88**

Particulars	For the year ended March 31, 2025				
	Opening Balance	(Charge) / Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/deferred Tax liability :					
Property, plant and equipment	342.02	32.13	-	-	374.15
Provision for employee benefits	1,580.91	51.51	2.98	-	1,635.40
Provision for loan receivables	7,860.84	14,885.22	-	-	22,746.05
Provision for fraud insurance claim receivable	491.15	34.75	-	-	525.90
Effective interest rate on borrowings	243.31	382.33	-	-	625.64
Documentation fee on loans	1,043.44	220.96	-	-	1,264.40
Effect of implementation of Ind AS 116	573.98	(6.43)	-	-	567.55
Effective interest rate on DA and PTC loans	(1,588.77)	1,628.46	-	-	39.69
ESOP Contribution	4.32	-	-	(4.32)	-
Equity Investment held as FVOCI	(0.14)	-	-	-	(0.14)
Gain / loss on hedge valuation	(61.38)	-	40.01	-	(21.37)
Investment held as FVOCI	68.12	-	(191.59)	-	(123.47)
Total	**10,557.81**	**17,228.93**	**(148.60)**	**(4.32)**	**27,633.81**

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

12 Property, plant and equipment, other intangible assets, Right of use assets and Intangible assets under development

		Property, plant and equipment										
Particulars	**Investment Property - Land**	**Computers**	**Furnitures & Fixtures**	**Leasehold Improvements**	**Office Equipments**	**Vehicles**	**Freehold Land**	**Building**	**Total**	**Right of use asset**	**Other intangible assets- Softwares**	**Capital-Work-in-Progress (CWIP) and Intangible assets under development**
Gross block												
As at 31 March 2024	**8.64**	**5,144.12**	**5,083.15**	**436.07**	**3,994.12**	**82.26**	**93.44**	**126.86**	**14,960.02**	**17,227.22**	**3,256.18**	**-**
Additions		733.62	838.06	134.35	1,003.75	-	356.93	24.49	3,091.20	2,850.16	2,415.45	-
Disposals		(801.55)	(38.06)	-	(159.18)	(9.44)	-	-	(1,008.23)	-		-
As at 31 March 2025	**8.64**	**5,076.19**	**5,883.15**	**570.42**	**4,838.69**	**72.82**	**450.37**	**151.35**	**17,043.00**	**20,077.39**	**5,671.63**	**-**
Additions		683.00	328.73	8.52	846.72	0.60			1,867.55	1,597.80	3,182.07	
Disposals		(1,364.81)	(45.37)	(0.97)	(216.45)	(12.79)			(1,640.38)	(337.59)	(1,153.04)	
As at 31st March 2026	**8.64**	**4,394.37**	**6,166.51**	**577.97**	**5,468.96**	**60.64**	**450.37**	**151.35**	**17,270.18**	**21,337.60**	**7,700.65**	**-**
Accumulated depreciation/amortisation:												
As at 31 March 2024	**-**	**3,653.71**	**1,747.52**	**259.82**	**1,555.35**	**72.80**	**-**	**0.56**	**7,289.75**	**6,368.29**	**1,337.87**	**-**
Depreciation/Amortisation expense	-	994.92	439.09	63.64	612.59	3.34	-	6.22	2,119.81	3,059.20	1,270.95	-
Eliminated on Disposal of Assets	-	(801.10)	(37.47)	-	(120.27)	(9.44)	-	-	(968.28)	-	-	-
Depreciation Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2025	**-**	**3,847.53**	**2,149.14**	**323.46**	**2,047.67**	**66.70**	**-**	**6.78**	**8,441.28**	**9,427.49**	**2,608.82**	**-**
Depreciation/Amortisation expense		1,202.48	549.97	78.99	856.53	3.30		9.06	2,700.33	**2,769.47**	1,916.30	
Eliminated on Disposal of Assets		(1,348.69)	(44.0)	(0.97)	(170.85)	(12.79)			(1,577.30)			
Depreciation Adjustments									-			
As at 31st March 2026	**-**	**3,701.31**	**2,655.11**	**401.48**	**2,733.35**	**57.22**	**-**	**15.84**	**9,564.31**	**12,196.96**	**4,525.12**	**-**
Net block												
As at 31 March 2024	8.64	1,490.41	3,335.63	176.25	2,438.77	9.46	93.44	126.30	7,670.27	10,858.93	1,918.31	-
As at 31 March 2025	8.64	1,228.65	3,734.01	246.96	2,791.02	6.12	450.37	144.57	8,601.71	10,649.89	3,062.81	-
As at 31st March 2026	8.64	693.06	3,511.40	176.48	2,735.61	3.42	450.37	135.51	7,705.87	9,140.64	3,175.54	-

Also refer Note 60 for Capital-Work-in-Progress (CWIP) and Intangible assets under development

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
Notes forming part of the financial information

(All amounts in ₹ Lakhs unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
13 Other non financial assets		
(a) Goods & service tax credit (input) receivable	1,947.70	953.63
(b) Prepaid expenses	607.15	983.17
(c) Capital advances	-	-
(d) Opex advances	-	-
(e) Others	-	-
	2,554.84	**1,936.80**

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

	As at March 31,2026	As at March 31, 2025
14 Derivative financial instruments (Also, refer note 42.15)		
Currency derivatives		
Cross Currency Interest rate swap		
- Notional Amount (Respective Currency converted at closing exchange rate)		
- Fair Value Asset	1,315.70	1,118.24
- Fair Value Liabilities	-	-
Total Notional value of Liabilities	**5,679.26**	**7,702.33**
Total Fair Value Assets	**1,315.70**	**1,118.24**
Total Fair Value Liabilities	**-**	**-**

Note: All the above derivative instruments are held for hedging and risk management purpose

15 Other payables		
(a) Total outstanding dues of micro enterprises and small enterprises (Also, refer note 40)	-	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (Also, refer note no 56 for trade payables ageing)	1,883.66	2,045.38
	1,883.66	**2,045.38**

There are no dues payable as at March 31,2026 and March 31, 2025 to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

16 Debt securities (At amortised cost)		
(a) Redeemable non-convertible debentures		
- Secured	7,313.82	2,485.04
- Unsecured *	22,274.59	1.84
(b) Commercial papers (Unsecured) (Refer Note 17.3)	14,462.72	-
	44,051.13	**2,486.87**
(i) Debt securities in India	44,051.13	2,486.87
(ii) Debt securities outside India	-	-
Also, refer note 17.4	**44,051.13**	**2,486.87**

* ₹8.38 Lakhs as on 31st March 2026 is the amount of unclaimed debentures lying in the Escrow Account

17 Borrowings (other than debt securities) (At amortised cost)		
(a) Secured		
- Term loan from banks	361,455.67	587,419.70
- Term loan from NBFCs	27,733.87	13,457.98
- Other financial institutions	5,636.80	7,601.26
	394,826.34	**608,478.94**
(b) Unsecured		
- Term loan from NBFCs	69,000.00	-
(c) Borrowings under securitisation arrangement	9,629.84	17,895.78
	473,456.19	**626,374.72**
Borrowings in India	467,819.39	618,773.46
Borrowings outside India	5,636.80	7,601.26
	473,456.19	**626,374.72**

17.1 Security on term loans from banks and others (Also, refer note 6)

All loans are secured by hypothecation of Micro Finance Loans and Gold Loans. Further, the Company has provided a specific lien on deposits with Banks (Refer (a) below) and also have deposits with other NBFCs for Term Loans (Refer (b) below)

(a) Deposits with Banks & Others	24,257.64	38,980.37
(b) Deposits with NBFCs	-	-
	24,257.64	**38,980.37**

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

17.2 Details of cash credit from bank - Secured

(a) The cash credit facility is secured by hypothecation of Microfinance Loans

(b) The Company has not defaulted in the repayment of dues to Banks and NBFC's.

(c) The details of interest rate, tenor, repayment terms of the Short Term Borrowings are as follows:

Particulars	Interest Rate	March 31, 2026	March 31, 2025
Cash Credit	9.15%	4,998.79	-

17.3 (i) Details of commercial paper - Unsecured

Particulars	Tenor (Days)	Interest Rate	March 31, 2026	March 31, 2025
Bhangiya Gramin Vikash Bank	365	8.35%	4615.65	-
Bihar Gramin Bank	365	8.00%	9259.26	-

(ii) Details of commercial paper issued/repaid during the current year ended March 31, 2026

Particulars	Tenor (Days)	Discount rate (per annum)	Date of Transaction
Bhangiya Gramin Vikash Bank (Issued)	365	0.0835	10-07-2025
Bihar Gramin Bank (Issued)	365	0.08	23-09-2025

Details of commercial paper issued/repaid during the year ended March 31, 2025

Particulars	Tenor (Days)	Discount Rate (per annum)
-	-	-

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

17.4 Details of terms of repayment- Debentures and subordinated liabilities

ISIN No	Type of NCD	No. of Debentures As at		Face value	Interest rate	Due date of redemption	Closing balance As at	
		March 31, 2026	March 31, 2025				March 31, 2026	March 31, 2025
INE516Q08331	Sub Debt	10,000	10,000	100,000.00	11.90%	26-Jun-26	10,000.00	10,000.00
INE516Q08372	Sub Debt	5,000	5,000	100,000.00	13.50%	31-Dec-27	5,000.00	5,000.00
INE516Q08380	Sub Debt	550	550	1,000,000.00	13.50%	31-May-27	5,500.00	5,500.00
INE516Q08398	Sub Debt	100	100	10,000,000.00	11.25%	03-Oct-28	10,000.00	10,000.00
INE516Q08406	Sub Debt	50	50	10,000,000.00	11.25%	25-Nov-28	5,000.00	5,000.00
INE516Q08414	Sub Debt	2,500	2,500	100,000.00	11.25%	31-Mar-29	2,500.00	2,500.00
INE516Q08422	Sub Debt	15,000	15,000	100,000.00	11.25%	16-May-29	15,000.00	15,000.00
INE516Q08430	Sub Debt	10,000	10,000	100,000.00	11.25%	07-Jul-30	10,000.00	10,000.00
INE516Q07465	Other Than Sub Debt	-	2,500	100,000.00	9.30%	20-Jan-26	0.00	2,500.00
INE516Q08448	Other Than Sub Debt	2,500	-	100,000.00	8.70%	12-Aug-28	2,500.00	-
INE516Q08455	Other Than Sub Debt	7,500	-	100,000.00	8.70%	29-Aug-28	7,500.00	-
INE516Q08463	Other Than Sub Debt	2,500	-	100,000.00	8.60%	19-Sep-27	2,500.00	-
INE516Q08471	Other Than Sub Debt	5,500	-	100,000.00	8.70%	19-Sep-28	5,500.00	-
INE516Q08489	Other Than Sub Debt	4,000	-	100,000.00	8.55%	14-Oct-27	4,000.00	-
INE516Q07473	Other Than Sub Debt	7,500	-	100,000.00	9.10%	30-Mar-28	7,500.00	-

*Principle Outstanding as per IGAAP

17.5 Details of terms of repayment - term loans from bank and others

As at year ended March 31, 2026

Tenure	Repayment	Interest Range	Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above 5years	
			No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
1 to 3 year	2 Equal Installments	9% to 11%	1	6,000.00	-	-	-	-	-	-	-	-	-	-
	Bullet	7% to 9%	1	25,000.00	-	-	-	-	-	-	-	-	-	-
		9% to 11%	9	71,800.00	2	2,800.00	2	2,791.38	-	-	-	-	-	-
	Monthly	7% to 9%	74	15,741.86	6	833.33	-	-	-	-	-	-	-	-
		9% to 11%	234	87,468.88	137	49,957.74	33	10,375.54	-	-	-	-	-	-
	Quarterly	7% to 9%	12	10,393.80	2	913.43	-	-	-	-	-	-	-	-
		9% to 11%	84	96,433.29	39	46,886.56	-	-	-	-	-	-	-	-
		11% to 13.5%	4	2,400.00	4	2,400.00	-	-	-	-	-	-	-	-
	Half Yearly	9% to 11%	2	200.00	2	200.00	2	199.31	-	-	-	-	-	-
Above 3 year	Monthly	9% to 11%	11	2,229.73	12	2,432.43	12	2,432.43	1	202.63	-	-	-	-
	Quarterly	9% to 11%	4	6,000.00	4	6,000.00	4	4,800.00	1	1,200.00	-	-	-	-

*Principle Outstanding as per IGAAP

As at year ended March 31, 2025

Tenure	Repayment	Interest Range	Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above 5years	
			No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
1 to 3 year	2 Equal installment	9%-11%	1	6,000.00	1	6,000.00	-	-	-	-	-	-	-	-
	Bullet	7%-9%	-	-	1	25,000.00	-	-	-	-	-	-	-	-
		9%-11%	2	2,500.00	-	-	-	-	-	-	-	-	-	-
	Monthly	7%-9%	17	4,791.67	7	2,187.50	-	-	-	-	-	-	-	-
		9%-11%	463	161,621.04	135	45,467.25	9	3,833.33	-	-	-	-	-	-
		11%-13.5%	5	3,350.00	-	-	-	-	-	-	-	-	-	-
	Quarterly	9%-11%	193	223,499.02	59	61,158.60	11	9,757.00	-	-	-	-	-	-
		11%-13.5%	4	8,400.00	4	2,400.00	4	2,400.00	-	-	-	-	-	-
Above 3 year	Half yearly	9%-11%	2	200.00	2	200.00	2	200.00	2.00	200.00	-	-	-	-
	Monthly	9%-11%	4	2,545.45	2	1,272.73	-	-	-	-	-	-	-	-
	Quarterly	9%-11%	4	6,000.00	4	6,000.00	4	6,000.00	4.00	4,800.00	1.00	1,200.00	-	-
	Bullet	9%-11%	2	2,800.00	2	2,800.00	2	2,800.00	2.00	2,800.00	-	-	-	-

A. JOHN MORIS & CO., CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

17.6 Reconciliation of liabilities arising from financing activities

Particulars	Debt securities (including subordinated liabilities)	Borrowings (other than debt)	Commercial Paper	Total*
March 31, 2024	**129,053.50**	**879,097.75**	-	**1,008,151.24**
Proceeds	-	411,887.81	-	411,887.81
Repayment	(55,716.67)	(641,143.53)	-	-696,860.20
Interest expense	3,066.74	83,490.02	-	86,556.76
Interest & Transaction cost paid	(15,047.18)	(83,816.96)	-	-98,864.14
Fair Value Changes	-	-	-	-
March 31, 2025	**61,356.39**	**649,515.09**	-	**710,871.48**
Proceeds	29,500.00	300,000.00	13,874.91	343,374.91
Repayment	(2,495.00)	(450,051.72)	-	-452,546.72
Interest expense	8,589.95	46,250.28	666.47	55,506.69
Interest & Transaction cost paid	(7,795.13)	(46,313.82)	-	-54,108.95
Fair Value Changes				-
March 31, 2026	**89,156.21**	**499,399.83**	**14,541.38**	**603,097.41**

*Principle Outstanding as per IGAAP

		As at March 31 2026	As at March 31, 2025
18	**Subordinated liabilities**		
	Redeemable Non-Convertible Debentures (Unsecured) - Subordinated Debt	65,055.43	64,959.13
		65,055.43	**64,959.13**
18 (a)	**Lease Liability**		
	(b) Lease liabilities (Also, refer note 34)	11,282.17	12,366.64
		11,282.17	**12,366.64**
19	**Other financial liabilities**		
	(a) Securitisation payable on Direct assignments	401.86	4,017.78
	(b) Auction Surplus refundable	-	13.61
	(c) Security deposit	125.12	-
	(c) Other payables	2,715.20	5,470.51
	(d) Employee related payables	3,017.98	5,421.11
	(e) Overdraft	11,839.36	-
		18,099.52	**14,923.01**
20 (a)	**Current tax liabilities (net)**		
	Provision for taxation (net)	-	-
		-	-
20 (b)	**Provisions (Also, refer note 35)**		
	(a) Provision for compensated absences	617.54	671.49
	(b) Provision for gratuity	562.40	493.38
		1,179.94	**1,164.87**
21	**Other non financial liabilities**		
	(a) Statutory dues payable	1,044.33	1,017.93
	(b) Other payables	-	-
		1,044.33	**1,017.93**

A. JOHN MORIS & CO., CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

22 Equity share capital

	As at March 31, 2026	As at March 31, 2025
Authorised*		
60,00,00,000 equity shares (March 31, 2025 - 30,00,00,000) of ₹ 10/- each*	60,000.00	30,000.00
Issued, subscribed and paid up**		
33,26,36,312 shares (as at March 31, 2025 20,02,83,372 shares) of ₹ 10/- each	33,263.63	20,028.34

For each class of equity share capital:	No of equity share	Amount(Equity share) (in ₹ Lakhs)	Remarks
(a) the number and amount of shares authorized*	600,000,000	60,000.00	
(b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;	332,636,312	33,263.63	
(c) par value per share;	10		
(d) a reconciliation of the number of shares outstanding at the beginning and at the end of the period;	Details given in Note 1		
(e) the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;	NA	NA	There is only one class as Equity share. The Company has only one class of equity shares having a par value of ₹10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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 shareholde₹ Dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.
(f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;	327,830,810	98.56%	As on March 31, 2026 Holding company Manappuram Finance Limited(Details given as Note 2)
(g) shares in the company held by each shareholder holding more than five percent shares specifying the number of shares held;	327,830,810	98.56%	As on March 31, 2026 Holding company Manappuram Finance Limited(Details given as Note 2)
(h) shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment, including the terms and amounts;	NA	NA	
(i) For the period of five years immediately preceding the date at which the Balance Sheet is prepared:			
• Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;	NA	NA	
• Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and**	133,522,248	13,352.22	
• Aggregate number and class of shares bought back;			
(j) terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date;	NA	NA	
(k) calls unpaid (showing aggregate value of calls unpaid by Directors and officers);	NA	NA	
(l) forfeited shares (amount originally paid up)	NA	NA	
(m) An NBFC shall disclose information that enables users of its financial statements to evaluate the NBFC's objectives, policies and processes for managing capital.	NA	NA	

*During the year ended March 31, 2024, the authorized preference share capital was sub-divided from 10,00,000 Preference Shares of ₹100 each to 1,00,00,000 Preference Shares of ₹10 each. Further the Company reclassified 1,00,00,000 Preference Shares of ₹10 each to 1,00,00,000 Equity Shares of ₹10 each and during the year ended March 31, 2024, the authorized equity share capital was increased from 10,00,00,000 equity shares of ₹ 10 each amounting to ₹ 10,000 Lakhs to 30,00,00,000 equity shares of ₹ 10 each amounting to ₹ 30,000 Lakhs which was duly approved by the board in meeting dated August 16, 2023 and by the shareholders of the Company by means of an ordinary resolution dated August 18, 2023.

During the year ended March 31, 2026, the Company increased its authorized share capital from 30,00,00,000 equity shares of ₹ 10 each, aggregating to ₹ 30,000 lakhs, to 60,00,00,000 equity shares of ₹ 10 each, aggregating to ₹ 60,000 lakhs. This increase was approved by the Board of Directors at its meeting held on September 8, 2025, and subsequently by the shareholders of the Company by way of an ordinary resolution dated September 10, 2025.

i) The Board of Directors at their meeting held on 06th May, 2025 approved rights issue of 8,33,33,333 equity shares of ₹10/- each at a premium of ₹50/- per share amounting to ₹ 4,99,99,99,980/- which was allotted at the Board Meeting held on 06th June, 2025.
ii) The Board of Directors at their meeting held on 12th December, 2025 approved rights issue of 49,019,607 equity shares of ₹10/- each at a premium of ₹41/- per share amounting to ₹ 2,49,99,99,957/- which was allotted at the Board Meeting held on 29th December, 2025.
** iii)Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on August 16, 2023 had approved the bonus issue of two for every one share held on record date which was approved by the shareholders by means of a special resolution dated August 18, 2023. Through a Board resolution dated August 26, 2023, the Company has allotted 13,35,22,248 equity shares of ₹10 each as bonus shares to the existing equity shareholders of the Company.

A. JOHN MORRIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

A company shall disclose Shareholding of Promoters as below:**

Shares held by promoters at the end of the year			% Change during the year***
Promoter name	**No. of Shares***	**%of total shares**	
Manappuram Finance Limited	327,830,810	98.56%	0.96%
Mr. V.P Nandakumar	778,209	0.23%	0.16%

* Details shall be given separately for each class of shares

** Pursuant to Board Resolution dated September 22, 2023, based on the current operations and management of the Company and the provisions of the Companies Act, SEBI Regulations and other applicable laws, Manappuram Finance Limited has been identified as the promoter of the Company.
Pursuant to Board Resolution dated February 13, 2024, based on the current operations and management of the Company and the provisions of the Companies Act, SEBI Regulations and other applicable laws, Mr. V.P Nandakumar has been identified as the individual promoter of the Company.

*** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

Note 1

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at March 31, 2026		As at March 31, 2025	
	No. of shares*	**Amount**	**No. of shares***	**Amount**
At the beginning of the year	200,283,372	20,028.33	200,283,372	20,028.33
Issued during the year	132,352,940	13,235.29	-	-
Outstanding at the end of the period/year	**332,636,312**	**33,263.62**	**200,283,372**	**20,028.33**

Note 2

Class of shares / Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No of shares held*	**% holding in the class of shares**	**No of shares held***	**% holding in the class of shares**
Equity Shares of ₹ 10 each Manappuram Finance Limited (the Holding Company)	327,830,810	98.56%	195,485,619	97.60%

* No. of shares are in absolute numbers

Note 3 Terms / Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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 shareholde₹

Dividend proposed by the Board of Directors,if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

Employees Stock Option Scheme (ESOS) (Also, refer note no 52) :

During the year ended March 31, 2020, the Company introduced Employee Stock Option Scheme to eligible employees of the Company w.e.f from July 01, 2019 ("Relevant Date"). Accordingly 8,30,000 options were issued with a graded vesting period and no options are outstanding as at March 31, 2026.

22.1 As on 31st March 2026, the company had received an amount of ₹ 790.59 Crores as share application money due for allotment of equity shares in the form of rights. The amount is held in separate accounts and excluded from total assets for the purpose of calculation of Qualifying Asset as per Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025. The shares were alloted on 10th April 2026.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

	As at March 31,2026	As at March 31, 2025
23 Other equity		
(a) Capital redemption reserve	500.00	500.00
(b) ESOP Contribution	-	-
(c) Statutory reserve	23,657.55	23,657.55
(d) Securities premium account	142,878.44	81,113.74
(e) General reserve	154.30	154.30
(f) Retained Earning (Surplus in statement of profit and loss)	(32,082.16)	25,823.61
(g) Remeasurement Gain/Loss On Defined Benefit Obligation	(311.46)	(302.43)
(h) OCI(Effective portion of cash flow hedge)	82.44	84.91
(i) Equity Investments Fair valued through other comprehensive income	0.55	0.55
(j) Other Investments Fair valued through other comprehensive income	(104.88)	490.54
(k) OCI(Tax related to items that will not be reclassified)	71.76	69.49
(l) OCI(Tax related to items that will be reclassified)	5.66	(144.81)
	134,852.21	**131,447.45**

(a) Capital redemption reserve
In accordance with Section 69 of the Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve

(b) ESOP Contribution
Under Ind AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

(c) Statutory reserve
Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve on the financial information.

(d) Securities Premium Account
Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(e) General reserve
General reserve represents an appropriation of profits by the Company.

(f) Retained Earning (Surplus in statement of profit and loss)
Surplus in statement of profit and loss represents the surplus in Profit and

(g) Other comprehensive income (OCI) - Remeasurement Gain/ Loss On Defined Benefit Obligation
Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability.

(h) OCI (Effective portion of cash flow hedge)
Represents remeasurement of cumulative gains/(losses) arising on revaluation of the derivative instruments designated

(i) Equity Investments Fair valued through other comprehensive income
Represents the change in equity investments which is fair value through OCI

(j) Other Investments Fair valued through other comprehensive income
Represents the change in other investments which are fair value through OCI

(k) OCI (Tax related to items that will not be reclassified)
Represents the tax relating to items that will not be reclassified

(l) OCI (Tax related to items that will be reclassified)
Represents the tax relating to items that will be reclassified

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

Asirvad Micro Finance Limited
Notes forming part of the financial information

(All amounts in ₹ lakhs unless otherwise stated)

	As at March 31,2026	As at March 31, 2025
(a) Capital redemption reserve		
Opening balance	500.00	500.00
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	**500.00**	**500.00**
(b) ESOS Contribution (Refer Note No. 54)		
Opening balance	-	16.93
Add/(Less) : (Reversal)/Contribution during the year	-	-
Less : Adjustment for Forfeiture and Expiration	-	(16.93)
Less : Utilised during the year	-	-
Closing balance	-	-
(c) Statutory reserve		
Opening balance	23,657.55	23,657.55
Add: Additions during the year (Also, refer note no 52)	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	**23,657.55**	**23,657.55**
(d) Securities premium account		
Opening balance	81,113.74	81,113.74
Add : Premium on shares issued during the year	61,764.70	-
Less : Utilised during the year	-	-
Closing balance	**142,878.44**	**81,113.74**
(e) General reserve		
Opening balance	154.30	141.64
Add: Transferred from surplus in statement of profit and loss	-	-
Less: Utilised / transferred during the year	-	-
Add : Adjustment for Forfeiture and Expiration ESOP	-	16.93
Less: Adjustment for Deferred Tax	-	(4.27)
Closing balance	**154.30**	**154.30**
(f) Retained Earning (Surplus in statement of profit and loss)		
Opening balance	25,823.61	89,695.30
Add / (Less) : Profit for the year	(57,905.78)	(63,871.69)
Less: Restatement Impact	-	-
Less:Transfer to Statutory Reserve	-	-
Closing balance	**(32,082.16)**	**25,823.61**
(g) Remeasurement Gain/Loss On Defined Benefit Obligation		
Opening balance	(302.43)	(290.59)
Add / (Less): Effect for the year	(9.03)	(11.84)
Less:Transfer to Statutory Reserve	-	-
Closing balance	**(311.46)**	**(302.43)**
(h) OCI (Effective portion of cash flow hedge)		
Opening balance	84.91	243.85
Add / (Less): Effect for the year	(2.47)	(158.94)
Closing balance	**82.44**	**84.91**
(i) Equity Investments Fair valued through other comprehensive income		
Opening balance	0.55	0.55
Less: Effect for the year	-	-
Closing balance	**0.55**	**0.55**
(j) Investments Fair valued through other comprehensive income		
Opening balance	490.54	(270.64)
Less: Effect for the year	(595.42)	761.18
Closing balance	**(104.88)**	**490.54**
(k) OCI (Tax related to items that will not be reclassified)		
Opening balance	69.49	66.51
Less: Effect for the year	2.27	2.98
Closing balance	**71.76**	**69.49**
(l) OCI (Tax related to items that will be reclassified)		
Opening balance	(144.81)	6.76
Less: Effect for the year	150.48	(151.57)
Closing balance	**5.66**	**(144.81)**
Total	**134,852.21**	**131,447.45**

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

	Year ended Mar 31 2026	Year ended March 31, 2025
24 (a) Interest income (at Amortised Cost)		
(i) Interest income from loan:		
- Interest on loan- microfinance loans	100,225.72	211,895.64
- Interest on loan- Gold loans	25,823.56	22,713.58
- Interest on loan- MSME loans	574.83	1,205.42
- Interest income from investment	-	-
- Interest on deposit with Bank	2,545.26	7,263.60
- Interest on G-Sec and T bill	1,436.40	1,741.04
(iii) Other interest income		
- Interest on Security Deposit	102.35	70.71
	130,708.12	**244,889.99**
24 (b) Net gain on derecognition of financial instruments under amortised cost category		
Net gain on derecognition of financial instruments under amortised cost category - MFI	1,398.03	9,140.47
Net gain on derecognition of financial instruments under amortised cost category - GOLD	1,472.08	-
	2,870.11	**9,140.47**
24 (c) Dividend income		
Dividend income	4.34	12.50
	4.34	**12.50**
24 (d) Fees and commission income		
(a) Servicer & Referral fees	281.89	1,016.17
	281.89	**1,016.17**
25 Other operating income		
Documentation Fee	8,980.04	14,996.90
Loss assets recovered	7,572.44	1,502.94
Others	186.25	133.09
	16,738.74	**16,632.94**
26 Other income		
(a) Gain on sale of investments classified as FVOCI	-	13.50
(b) Miscellaneous income	249.46	1,733.42
	249.46	**1,746.92**
27 Finance cost		
Finance cost on financial liability measured at amortised cost		
(a) Interest on borrowings		
- Term Loans from banks	43,953.32	83,905.61
- Term Loans from NBFCs	3,290.48	2,327.81
- Borrowings under securitisation arrangement	901.34	1,755.14
- Other financial institutions	-	-
- Commercial paper	769.69	-
- Overdraft	357.84	1.81
(b) Interest on debt securities		
- Debentures & subordinated liabilities	8,991.07	11,090.38
(c) Other interest expense		
- Interest on finance lease obligations	1,522.98	1,541.74
(d) Other Borrowing Costs		
- Loan processing fees	-	28.15
- Bank charges	1,135.18	2,775.38
	60,921.90	**103,426.01**

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

		Year ended March 31, 2026	Year ended March 31, 2025
28	**Impairment of financial instruments (Also, refer note 7.4)**		
	Loans	99,579.87	169,441.00
	Investments	1,733.95	4,827.57
	Other Financial Assets		36.20
		101,313.83	**174,304.77**
	Less : Exceptional item	-	
		101,313.83	**174,304.77**
29	**Employee benefit expenses**		
	(a) Salaries and wages including gratuity expenses (Also, refer note 35)	44,556.79	47,962.57
	(b) Contributions to provident and other funds	3,962.34	4,532.95
	(c) Share Based payments to Employees (Refer Note No. 54)	-	-
	(d) Staff welfare expenses	(794.97)	(841.58)
		47,724.16	**51,653.94**
30	**Depreciation and amortisation expense (Also, refer note 12)**		
	(a) Depreciation of tangible assets	2,105.39	2,119.81
	(b) Amortization of other intangible assets	1,916.30	541.05
	(c) Amortization of right of use asset	2,769.47	3,059.20
		6,791.16	**5,720.06**
31	**Other expenses**		
	(a) Electricity	452.83	507.67
	(b) Rent (Also, refer note 34)	1,344.68	667.07
	(c) Repairs and maintenance	332.30	338.66
	(d) Insurance	961.59	1,322.78
	(e) Rates and taxes	555.61	351.29
	(f) Communication expenses	1,479.29	1,371.65
	(g) Travel and conveyance	4,772.91	6,512.29
	(h) Printing and stationery	349.00	596.42
	(i) Directors' sitting fees	76.40	83.31
	(j) Business promotion	137.53	282.68
	(k) CSR expenses (Also, refer note 50)	81.04	635.74
	(l) Legal and professional fees	1,541.88	2,420.72
	(m) Provision for insurance claim receivable	15.07	(229.93)
	(n) Subscription charges	66.04	119.52
	(o) Software costs (Also, refer note 36)	3,997.46	2,836.96
	(p) Security charges	296.33	27.28
	(q) House keeping expenses	192.22	232.31
	(r) Office expenses	240.96	144.92
	(s) Directors commission (Also, refer note 36)	135.00	177.67
	(t) Loss on sale of property, plant & equipment	1.83	-
	(u) Payments to statutory auditors' (net of input tax credit)		
	- Statutory audit	26.95	26.95
	- Tax audit	2.73	2.73
	- Other services (Limited Review, Interim Audit and Certification)	11.45	11.28
	- Out of pocket expenses	5.53	12.48
	(v) Miscellaneous expenses	602.72	982.30
		17,679.33	**19,434.74**

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

32 Segment reporting

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Microfinance Loans.The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company,and makes strategic decisions and are identified as being the CODM. The allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations and no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities.

33 Earnings per share

Basic and Diluted earnings per share :

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Net Profit attributable to Equity Shareholders - ₹ in Lakhs (Basic and Diluted)	(57,905.78)	(63,871.69)
(b) Weighted average number of equity shares in calculating basic Earnings Per Share (Nos.)*	281,038,139.17	200,283,372.00
(c) Earnings per share - Basic ₹ (Per equity share, face value ₹10/- each)	(20.60)	(31.89)
(d) Weighted average number of equity shares in calculating Diluted Earnings Per Share (Nos.)*	281,038,139.17	200,283,372.00
(e) Earnings per share - Diluted - ₹ (Per equity share, face value ₹10/- each)	(20.60)	(31.89)

34 Leases

Details of Income/Expense recognised in the statement of Profit and Loss :	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation expense on right-of-use assets	2,769.47	3,059.20
Interest expense on lease liabilities	1,522.98	1,541.74
Total cash outflow for leases	3,728.38	3,825.13
Lease expense on Low Value Assets / Short term assets	1,344.68	667.07
	9,365.51	**9,093.15**

Maturity analysis of Lease Liabilities (valued on undiscounted basis):

	Year ended March 31, 2026	Year ended March 31, 2025
Year 1	2,915.02	3,050.73
Year 2	2,062.94	2,542.50
Year 3	1,561.00	1,773.70
Year 4	1,437.75	1,466.58
Year 5	5,670.52	6,996.74

35 Employee benefits

35.1 Defined contribution plan

(a) The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

	Year ended March 31, 2026	Year ended March 31, 2025
(b) Expenses recognised		
Included under 'Contributions to Provident and Other Funds' (Refer Note 29)		
Contributions to provident and pension funds	2,965.33	3,543.62
Contributions to Employee State Insurance	997.01	976.76
	3,962.34	**4,520.38**

35.2 Compensated absences

	Year ended March 31, 2026	Year ended March 31, 2025
Expenses recognised		
Included under salaries and wages (Refer Note 29)	209.36	288.26
	209.36	**288.26**

	Year ended March 31, 2026	Year ended March 31, 2025
Current portion	180.38	237.98
Non - current portion	437.16	433.51
Net liability/(asset) recognised in the balance sheet	**617.54**	**671.49**

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

35 Employee benefits (continued)

35.3 Compensated absences (continued)

The key assumptions used in the computation of provision for compensated absences are as given below:

		As at March 31, 2026	As at March 31, 2025
Discount Rate (% p.a)		6.10%	6.40%
Future Salary Increase (% p.a)		10.00%	10.00%
Attrition Rate	(i) below 35 years	35.00%	35.00%
	(ii) above 35 years	30.00%	30.00%

35.4 Defined benefit plans:

The Company provides for gratuity, a defined benefit plan, covering eligible employees. The benefit payable is calculated as per the Code on Social Security, 2020 (replacing the Payment of Gratuity Act, 1972) and the benefit vests upon completion of five years of continuous service (one year for fixed-term employees). Once vested, the amount is payable to employees on retirement or on termination of employment. In case of death or incapacitation while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

Liabilities with regard to this plan are determined by actuarial valuation, performed by an external actuary, using the projected unit credit method

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

	As at March 31, 2026	As at March 31, 2025
Amounts recognised in statement of profit & loss		
Service cost		
- Current service cost	675.56	645.90
- Past service cost	36.47	-
- Net interest expense	20.08	23.76
Components of defined benefit costs recognised in statement of profit or loss (A)	**732.11**	**669.66**
Amounts recognised in statement of other comprehensive income		
Actuarial (gain)/loss on Plan Obligations	44.80	83.50
Difference between actual return and interest income on plan assets- (gain)/loss	(35.77)	(71.66)
Components of defined benefit costs recognised in other comprehensive income (B)	**9.03**	**11.84**
Total	**741.14**	**681.50**

(i) The current service cost and interest expense for the year are included in the Note 29 - Employee benefit expenses in the statement of profit & loss under the line contribution to provident and other funds.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(iii) The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit credit method.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation	3,704.81	3,229.65
Fair value of plan assets	3,142.41	2,736.27
Net (Liability) recognised in the balance sheet	(562.40)	(493.38)
Current portion of the above	-	-
Non current portion of the above	(562.40)	(493.38)
	(562.40)	(493.38)

(c) Movement in the present value of the defined benefit obligation are as follows :

	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation at the beginning of the year	3,229.65	2,784.35
Expenses recognised in profit and loss account		
- Current Service cost	675.56	645.90
- Past Service Cost	36.47	-
- Interest expense (income)	206.70	192.12
Remeasurement gains / (losses)	-	-
- Effect of Changes in Demographic assumptions	-	(80.89)
- Effect of Changes in financial assumptions	39.05	56.26
- Effect of experience adjustments	5.75	108.13
Benefit payments	(529.09)	(500.13)
Effect of transfer of employees from Holding Company	40.72	23.91
Present value of defined benefit obligation at the end of the year	**3,704.81**	**3,229.65**

(i) The weighted average duration of the benefit obligation at March 31, 2026 is 2 years (at March 31, 2025 is 2 years)

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

35 Employee benefits (continued)

35.4 Defined benefit plans (continued)

(d) Movement in fair value of plan assets are as follows :

	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	2,736.27	2,195.21
expenses recognised in profit and loss account		
- Expected return on plan assets	186.62	168.36
Remeasurement gains / (losses)		-
- Actuarial gains/(loss) arising form changes in financial assumptions	35.77	71.66
Contributions by employer (including benefit payments recoverable)	672.12	777.26
Benefit payments	(529.09)	(500.13)
Effect of transfer of employees from Holding Company	40.72	23.91
Fair value of plan assets at the end of the year	**3,142.41**	**2,736.27**

(e) The fair value of plan assets for India at the end of the reporting period for each category are as follows :

	As at March 31, 2026	As at March 31, 2025
Investment funds with insurance company (Life Insurance Corporation of India)	3,142.41	2,736.27

(i) The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.
(ii) The actual return on plan asset as for the year ended March 31, 2026 was ₹ 222.39 Lakhs (for the year ended March 31, 2025 was ₹240.02 Lakhs)

(f) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	6.10%	6.40%
Expected rate of salary increase	10.00%	10.00%
Withdrawal Rate		
(i) below 35 years	35.00%	35.00%
(ii) above 35 years	30.00%	30.00%
Mortality Rate	IALM 2012-14 (Ult.)	IALM (2012-14) Ultimate

1. The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the projected term of the obligation.
2. The estimates of future salary increase considered taking into account an employee's seniority, promotion and other factors as well as inflation.
3. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund (maintained by the Life Insurance Corporation ("LIC")) and is well diversed.

Risks associated with plan provisions

Investment risk:
The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the projected term of the obligations.

Interest risk:
A decrease in the yield of Indian government securities will increase the plan liability.

Longevity risk:
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:
The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

35 Employee benefits (continued)

35.5 Defined benefit plans (continued)

Risks associated with plan provisions (continued)

Sensitivity analysis:

The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	As at March 31, 2026	As at March 31, 2025
(a) Discount rate		
- Increase by 50 bps	(63.63)	(55.35)
- Decrease by 50 bps	68.00	59.19
(b) Salary growth rate		
- Increase by 50 bps	64.22	56.66
- Decrease by 50 bps	(61.33)	(54.07)
(c) Withdrawal rate		
- Increase by 50 bps	(20.19)	(19.68)
- Decrease by 50 bps	21.03	20.50
(d) Mortality rate		
- Increase in Expected life time by one year	0.18	0.15
- Increase in Expected life time by three years	0.55	0.45

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

(g) Effect of plan on entity's future cash flows

(i) The Company expects to make a contribution of ₹ 800 Lakhs during FY 2026-27.

(ii) The weighted average duration of the benefit obligation at March 31, 2026 is 2 years (at March 31, 2025 is 2 years)

(iii) Maturity profile of defined benefit obligation:

Expected cash flows over the next (valued on undiscounted basis):

	As at March 31, 2026	As at March 31, 2025
Within 1 year	800.00	800.00
1 to 5 years	N/A	N/A
More than 5 years	N/A	N/A

Experience Adjustments

Experience Adjustments	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation	3,704.81	3,229.65
Fair value of plan assets	3,142.41	2,736.27
Surplus/(deficit)	(562.40)	(493.38)
Experience adjustment on plan liabilities [(Gain)/Loss]	(44.80)	(83.50)
Experience adjustment on plan assets [Gain/(Loss)]	35.77	71.66

A. JOHN M... & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

36 Related party transactions

36.1 Names of related parties and nature of relationship

Nature of relationship	Name of the party
Key Management Personnel (KMP) of the company	Mr. V P Nandakumar - Chairman *
	Mr. S V Raja Vaidyanathan - Non Independent Director
	Mr. Gautam Rathindranath Saigal - Non Independent Director
	Mr. Abhijit Sen - Independent Director
	Ms. Anita Belani - Independent Director
	Mr. Desh Raj Dogra - Independent Director
	Mr. Subrata Kumar Atindra Mitra - Independent Director
	Mr. T Balakrishnan - Independent Director
	Ms. Pushya Sitaraman - Independent Director
	Mr. Harshan Kollara - Independent Director
	Mr. Rajesh KRN Namboodiripad- Chief Financial Officer
	Ms. Aparna Menon - Company Secretary (till February 28, 2026)
	Mr. Mithun B Shenoy - Company Secretary (w.e.f March 1, 2026)
	Dr. Roy Varghese - Chief Executive Officer
	Mr. Satish C K Kutty Nair (w.e.f June 03, 2024 till July 27, 2024) *
	Mr. Manoj Gerard David Pasangha - Chief Executive Officer
Holding company	Manappuram Finance Limited
Key Management Personnel (KMP) of the holding company	Ms. Sumitha Nandan - Executive Director of Manappuram Finance Limited *
	Mr. Deepak Reddy - Chief Executive Officer *
	Mr. Buvanesh Tharashankar - Group Chief Financial Officer *
	Mr. Manoj Kumar V R - Company Secretary of Manappuram Finance Limited *
	Ms. Bindu A L - Chief Financial Officer of Manappuram Finance Limited *
Group Entities	Manappuram Comptech and Consultants Limited
	Manappuram Insurance Brokers Limited *
	Manappuram Home Finance Limited *
Associates / Enterprises owned or significantly influenced by key management personnel or their relatives.	MAFIN Enterprise *
	Manappuram Travels *
	Manappuram Chits *
	Earthables Projects LLP *
	Manappuram Chits (Karnataka) Private Limited *
	Manappuram Chit Funds Company Private Limited *
	Adlux Medicity And Convention Centre Private Limited *
	SNST Advisories Private Limited *
	DTA Advisory Private Limited *
	DTB Advisory Private Limited *
	DT3 Advisory Private Limited *
	Orange Retail Finance India Private Limited *
	Finance Industry Development Council *
	Macare Dental Care Private Limited *
	Manappuram Health Care Limited *
	Manappuram Construction and Consultants Limited *
	Manappuram Finance Limited
	Manappuram Chits (India) Limited *
	Manappuram Agro Farms Limited *
	Manappuram Jewellers Limited *
	Manappuram Asset Finance Limited *
	MABEN Nidhi Limited *
	Manappuram Foundation
	Mukundapuram Educational and Cultural Society *
	IIM, Calicut *
	Federation of Indian Chambers of Commerce and Industry *
	Manappuram Finance Empolyees Group Gratuity Fund Trust *
	Sanjeev Enterprises *
	Abirami Consultants And Securities Private Limited *
	Proficient Investment And Financial Consultancy Private Limited *
	Acsys Investments Private Limited *
	Media Works Private Limited *
	Farvision Securities Private Limited *
	Aham Housing Finance Limited *
	Asirvad Development Foundation *
	PPFAS Asset Management Private Limited *
	QSK Advisory LLP *
	Pachira Financial Services LLP *
	Bonanza Business Services Private Limited *
	Muralya Dairy Products Private Limited *
	Shiksha Financial Services India Private Limited *
	M Power Micro Finance Private Limited *
	Infomerics Valuation and Rating Limited
	Fenca Limited, UK (Erstwhile known as Fast Encash Money Transfer Services, UK) *
	Morgan & Harvey Services Ltd, UK *
	Value Finance Corporation Limited, UK *
	Value Finance Ltd, UK *

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

Nature of relationship	Name of the party
Relatives of Key Management Personnel (KMP) of the company and the holding company	Ms. Sushama Nandakumar (Wife of Mr. V P Nandakumar) *
	Mr. Sooraj Nandan (Son of Mr. V P Nandakumar) *
	Mr. Suhas Nandan (Son of Mr. V P Nandakumar) *
	Ms. Shruti Sooraj (Son's wife of V P Nandakumar) *
	Ms. Niniraj (Son's wife of V P Nandakumar) *
	Mr. Jayasankar (Daughter's Husband of V P Nandakumar) *
	Ms. Jyothi Prasannan (Sister of V P Nandakumar *
	Ms. Shelly Ekalavian (Sister of V P Nandakumar) *
	Ms. Girija Vaidyanathan (Wife of Mr. S V Raja Vaidyanathan)
	Mr. Venkataraman Vaidyanathan Sattanathapuram (Father of Mr. S V Raja Vaidyanathan) *
	Ms. Alamelu Venkataraman (Mother of Mr. S V Raja Vaidyanathan) *
	Mr. Sanjeev Vaidyanathan (Son of Mr. S V Raja Vaidyanathan) *
	Ms. Anjana Vaidyanathan (Daughter of Mr. S V Raja Vaidyanathan) *
	Ms. Saisudha (Son's wife of Mr. S V Raja Vaidyanathan) *
	Mr. Anand Ramakrishnan (Daughter's Husband of Mr. S V Raja Vaidyanathan) *
	Mr. S V Sekar (Brother of Mr. S V Raja Vaidyanathan) *
	Mr. S V Krishnamurthy (Brother of Mr. S V Raja Vaidyanathan) *
	Ms. Susila Sethuraman (Sister of Mr. S V Raja Vaidyanathan) *
	HUF: Subrata Kumar Mitra- Karta *
	Ms. Susmita Mitra (Wife of Mr. Subrata Kumar Atindra Mitra) *
	Ms. Sanjukta Mitra Sethu (Daughter of Mr. Subrata Kumar Atindra Mitra) *
	Ms. Srimoyee Mitra (Daughter of Mr. Subrata Kumar Atindra Mitra) *
	Mr. Uttam D Belani (Father of Ms. Anita Belani) *
	Mr. Rajesh Belani (Brother of Ms. Anita Belani) *
	Ms. Sunita Tendolkar (Sister of Ms. Anita Belani) *
	Ms. Renu Motwani (Step Sister of Ms. Anita Belani) *
	Mr. Santosh Sethu Madhavan (Daughter's Husband of Mr. Subrata Kumar Atindra Mitra) *
	Mr. Gabriel Sirois (Daughter's Husband of Mr. Subrata Kumar Atindra Mitra) *
	Mr. Sujit Kumar Mitra (Brother of Mr. Subrata Kumar Atindra Mitra) *
	Mr. Sudhish Mitra (Brother of Mr. Subrata Kumar Atindra Mitra) *
	Ms. Chitra Guha Roy (Sister of Mr. Subrata Kumar Atindra Mitra) *
	Ms. Seema Saigal (Wife of Mr. Gautam Rathindranath Saigal) *
	Ms. Srishti Saigal (Daughter of Mr. Gautam Rathindranath Saigal) *
	Mr. Rathindranath Saigal (Father of Mr. Gautam Rathindranath Saigal) *
	Mr. Rahul Saigal (Brother of Mr. Gautam Rathindranath Saigal) *
	Ms. Bindu Balakrishnan (Wife of Mr. T Balakrishnan) *
	Mr. Vishnusai Balakrishnan (Son of Mr. T Balakrishnan) *
	Mr. Sivasai Balakrishnan (Son of Mr. T Balakrishnan) *
	Ms. Alex Arabit Sai (Son's wife of Mr. T Balakrishnan) *
	Mr. T. Raveendran (Brother of Mr. T Balakrishnan) *
	Ms. T. Vijayalakshmy (Sister of Mr. T Balakrishnan) *
	Mr. C R Sitaraman (Husband of Ms. Pushya Sitaraman) *
	Mr. Subbarayaiyer Padmanabhan Father of Ms. Pushya Sitaraman) *
	Ms. Sharanya Sitaraman (Daughter of Ms. Pushya Sitaraman) *
	Ms. Varsha Sitaraman (Daughter of Ms. Pushya Sitaraman) *
	Mr. Anand Nandakumar (Daughter's Husband of Ms. Pushya Sitaraman) *
	Mr. Tanuj Mehra (Daughter's Husband of Ms. Pushya Sitaraman) *
	Mr. P Raghunandan (Brother of Ms. Pushya Sitaraman) *
	Ms. Jayanthi Sekhar (Sister of Ms. Pushya Sitaraman) *
	Ms. Suman Sambamurthy (Sister of Ms. Pushya Sitaraman) *
	Ms.Tamashree Sen (Wife of Mr. Abhijit Sen) *
	Ms. Arati Sen (Mother of Mr. Abhijit Sen) *
	Mr. Rohan Sen (Son of Mr. Abhijit Sen) *
	Mr. Vivek Sen (Son of Mr. Abhijit Sen) *
	Ms. Snehal Naik (Son's wife of Mr. Abhijit Sen) *
	Ms. Amanda Barbee (Son's wife of Mr. Abhijit Sen) *
	Mr. Bishwajit Sen (Brother of Mr. Abhijit Sen) *
	Ms. Rama Dogra (Wife of Mr. Desh Raj Dogra) *
	Mr. Ram Ditta Dogra (Father of Mr. Desh Raj Dogra) *
	Ms. Aashima A Freitag (Daughter of Mr. Desh Raj Dogra) *
	Ms. Arti S Mhatre (Daughter of Mr. Desh Raj Dogra) *
	Mr. Armin Freitag (Daughter's Husband of Mr. Desh Raj Dogra) *
	Ms. Samit Mhatre (Daughter's Husband of Mr. Desh Raj Dogra) *
	Mr. Subhash Dogra (Brother of Mr. Desh Raj Dogra) *
	Ms. Sarmishta Dogra (Sister of Mr. Desh Raj Dogra) *
	Ms. Kamlesh Sharma (Sister of Mr. Desh Raj Dogra) *
	Mr. Nandakumar Kollara (Son of Mr. Harshan Kollara) *
	Mr. Jaihari Kollara (Son of Mr. Harshan Kollara) *
	Ms. Elena T Kollara (Son's wife of Mr. Harshan Kollara) *
	Dr. Sugathan Kollara (Brother of Mr. Harshan Kollara) *
	Mr. Sreenath Kollara (Brother of Mr. Harshan Kollara) *
	Ms. Sarala K S (Sister of Mr. Harshan Kollara) *
	Ms. Jayanthy K S (Sister of Mr. Harshan Kollara) *
	Ms. Sunitha K S (Sister of Mr. Harshan Kollara) *
	Ms. Lysa C M (Wife of Dr. Roy Varghese) *
	Mr. A K Varkey (Father of Dr. Roy Varghese) *

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

Nature of relationship	Name of the party
Relatives of Key Management Personnel (KMP) of the company and the holding company	Ms. Mary Varkey (Mother of Dr. Roy Varghese) *
	Mr. Rojal Roy (Son of Dr. Roy Varghese) *
	Ms. Sanjana Merlin Roy (Daughter of Dr. Roy Varghese) *
	Ms. Stanita Sheeba Pasangha (Wife of Mr. Manoj Gerard David Pasangha) *
	Ms. Marie Pasangha (Mother of Mr. Manoj Gerard David Pasangha) *
	Ms. Elaina Pasangha (Daughter of Mr. Manoj Gerard David Pasangha) *
	Ms. Eva Pasangha (Daughter of Mr. Manoj Gerard David Pasangha) *
	Mr. Christopher D'souza (Daughter's husband of Mr. Manoj Gerard David Pasangha) *
	Mr. Joseph Pasangha (Brother of Mr. Manoj Gerard David Pasangha) *
	Ms. Dhanya (Wife of Mr. Rajesh KRN Namboodiripad) *
	Ms. Parvathy Devi (Mother of Mr. Rajesh KRN Namboodiripad) *
	Ms. Anushree (Daughter of Mr. Rajesh KRN Namboodiripad) *
	Ms. K R Rekha (Sister of Mr. Rajesh KRN Namboodiripad) *
	Ms.Roshni G Pai (Wife of Mr. Mithun B Shenoy) *
	Mr. V V Balagopala Shenoy (Father of Mr. Mithun B Shenoy) *
	Ms. Geetha Balagopal (Mother of Mr. Mithun B Shenoy) *
	Ms. Silpa V B (Sister of Mr. Mithun B Shenoy) *
	Mr. Adarsh Govind (Husband of Ms. Aparna Menon) *
	Ms. Beena Menon (Mother of Ms. Aparna Menon) *
	Ms. Samara Adarsh (Daughter of Ms. Aparna Menon) *
	Ms. Anjana Menon (Sister of Ms. Aparna Menon) *
	Mr. Benny (Husband of Ms. Bindu A L) *
	Ms. Rosily Lonappan (Mother of Ms. Bindu A L) *
	Mr. Amal Benny (Son of Ms. Bindu A L) *
	Ms. Anna Ben (Daughter of Ms. Bindu A L) *
	Mr. Biju A.L (Brother of Ms. Bindu A L) *
	Mr. Nelson A.L (Brother of Ms. Bindu A L) *
	Ms. Anushka Jayasankar (Daughter of Ms. Sumitha Nandan) *
	Ms. Aashirya Jayasankar (Daughter of Ms. Sumitha Nandan) *
	Mr. E R Reddy (Father of Mr. Deepak Reddy) *
	Ms. Krishna Reddy Bharathi Reddy (Mother of Mr. Deepak Reddy) *
	Ms. Kavitha Reddy (Wife of Mr. Deepak Reddy) *
	Mr. Chaithanya Reddy (Son of Mr. Deepak Reddy) *
	Mr. Adithya Reddy (Son of Mr. Deepak Reddy) *
	Ms. Sangeetha Reddy (Sister of Mr. Deepak Reddy) *
	Ms. Saraswathi Buvanesh (Wife of Mr. Buvanesh Tharashankar) *
	Ms. Chandra Tharashankar (Mother of Mr. Buvanesh Tharashankar) *
	Mr. Anuridh Buvanesh (Son of Mr. Buvanesh Tharashankar) *
	Ms. Akshaya Buvanesh (Daughter of Mr. Buvanesh Tharashankar) *
	Ms. Siji MG (Wife of Mr. Manoj Kumar V R) *
	Mr. Raman V K (Father of Mr. Manoj Kumar V R) *
	Ms. Vilasini V K (Mother of Mr. Manoj Kumar V R) *
	Mr. Harikrishna M Manoj (Son of Mr. Manoj Kumar V R) *
	Mr. Naveen Kumar V R (Brother of Mr. Manoj Kumar V R) *
	Mr. Praveen V R (Brother of Mr. Manoj Kumar V R) *
	Ms. Geetha V R (Sister of Mr. Manoj Kumar V R) *

* No transactions with these related parties during the current financial year

Note: Related party relationships are as identified by the Management.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

36.2 Details of exposures to related parties as defined in Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Sr. No.	Particulars	Year ended 31st March 2026	Year ended 31st March 2025
	A. Loans to Related Parties		
1.	Aggregate value of loans sanctioned to related parties during the year	-	-
2.	Aggregate value of outstanding loans to related parties as on 31st March	-	-
3.	Aggregate value of outstanding loans to related parties as a proportion of total credit exposure as on 31st March (in %)	-	-
4.	Aggregate value of outstanding loans to related parties which are categorized as:	-	-
	(i) Special Mention Accounts as on 31st March	-	-
	(ii) Non-Performing Assets as on 31st March	-	-
5.	Amount of provisions held in respect of loans to related parties as on 31st March	-	-
	B. Contracts and Arrangements involving Related Parties		
6.	Aggregate value of contracts and arrangements awarded to related parties during the year		
	Manappuram Finance Limited	238,188.02	1,795.59
	Manappuram Comptech and Consultants Limited	1,732.63	2,700.82
	Manappuram Foundation	183.53	556.54
	Infomerics Valuation and Rating Private Limited	4.48	14.91
	Mr. S V Raja Vaidyanathan	46.42	46.42
	Mrs. Girija Vaidyanathan	4.10	4.10
7.	Aggregate value of outstanding contracts and arrangements involving related parties as on 31st March		
	Manappuram Finance Limited	85,331.51	16,496.19
	Manappuram Comptech and Consultants Limited	59.13	161.3

Note

1. Loan availed and repaid are taken in absolute terms
2. Expenses and income are taken in absolute terms
3. Right share issue and share application pending allotment are also considered under contracts and arrangements
4. Aggregate value outstanding includes loan and sub debt from Manappuram Finance Limited

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

36.3 Related Party Transactions during the year
Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dt. November 28 2025 (Updated as on

Related Party	Parent (as per ownership or control)		Key Management		Relatives of Key Management Personnel		Other related parties		Total	
Items	Mar 2026	Mar 2025	Mar 2026	Mar 2025	Mar 2026	Mar 2025	Mar 2026	Mar 2025	Mar 2026	Mar 2025
Transactions with related parties										
Sitting fees to Directors	-	-	**76.40**	**83.30**	-	-	-	-	**76.40**	**83.30**
Mr. Abhijit Sen	-	-	8.62	9.83	-	-	-	-	8.62	9.83
Ms. Anita Belani	-	-	3.27	5.07	-	-	-	-	3.27	5.07
Mr. D R Dogra	-	-	8.43	10.15	-	-	-	-	8.43	10.15
Mr. Gautam Saigal	-	-	8.82	10.34	-	-	-	-	8.82	10.34
Mr. Harshan Kollara	-	-	8.56	10.18	-	-	-	-	8.56	10.18
Ms. Pushya Sitaraman	-	-	7.12	7.18	-	-	-	-	7.12	7.18
Mr. Subrata Kumar Atindra Mitra	-	-	6.15	6.65	-	-	-	-	6.15	6.65
Mr. S V Raja Vaidyanathan	-	-	12.65	11.89	-	-	-	-	12.65	11.89
Mr. T Balakrishnan	-	-	12.79	12.01	-	-	-	-	12.79	12.01
Commission (Excl. GST)	-	-	**135.00**	-	-	-	-	-	**135.00**	-
Mr. Abhijit Sen	-	-	14.00	-	-	-	-	-	14.00	-
Mr. D R Dogra	-	-	19.50	-	-	-	-	-	19.50	-
Mr. Gautam Saigal	-	-	17.50	-	-	-	-	-	17.50	-
Mr. Harshan Kollara	-	-	17.50	-	-	-	-	-	17.50	-
Ms. Pushya Sitaraman	-	-	17.50	-	-	-	-	-	17.50	-
Mr. Subrata Kumar Atindra Mitra	-	-	17.50	-	-	-	-	-	17.50	-
Mr. S V Raja Vaidyanathan	-	-	14.00	-	-	-	-	-	14.00	-
Mr. T Balakrishnan	-	-	17.50	-	-	-	-	-	17.50	-
Performance Incentive	-	-	**60.00**	-	-	-	-	-	**60.00**	-
Mr. BN Raveendra Babu	-	-	60.00	-	-	-	-	-	60.00	-
Bonus	-	-	**35.40**	-	-	-	-	-	**35.40**	-
Mr. Gerard David Manoj Pasargha	-	-	35.40	-	-	-	-	-	35.40	-
Remuneration to KMP	-	-	**227.97**	**220.13**	-	-	-	-	**227.97**	**220.13**
Mr. BN Raveendra Babu	-	-	23.70	152.68	-	-	-	-	23.70	152.68
Mr. Gerard David Manoj Pasangha	-	-	93.23	-	-	-	-	-	93.23	-
Mr. Roy Varghese	-	-	55.91	-	-	-	-	-	55.91	-
Mr. Rajesh KRN Namboodiripad	-	-	34.83	33.17	-	-	-	-	34.83	33.17
Ms. Aparna Menon	-	-	18.64	19.55	-	-	-	-	18.64	19.55
Mr. Mithun B Shenoy	-	-	1.66	-	-	-	-	-	1.66	-
Mr. Satish C K Kutty Nair	-	-	-	14.73	-	-	-	-	-	14.73
Issue of Right Shares (Including Securities Premium)	**74,996.05**	-	-	-	-	-	-	-	**74,996.05**	-
Manappuram Finance Limited	74,996.05	-	-	-	-	-	-	-	74,996.05	-
Share application pending allotment	**79,059.05**	-	-	-	-	-	-	-	**79,059.05**	-
Manappuram Finance Limited	79,059.05	-	-	-	-	-	-	-	79,059.05	-
Loan Availed	**75,000.00**	-	-	-	-	-	-	-	**75,000.00**	-
Manappuram Finance Limited	75,000.00	-	-	-	-	-	-	-	75,000.00	-
Loan Repaid	**6,000.00**	-	-	-	-	-	-	-	**6,000.00**	-
Manappuram Finance Limited	6,000.00	-	-	-	-	-	-	-	6,000.00	-
Rent & other amenities	**1.83**	**19.97**	-	-	-	-	-	-	**1.83**	**19.97**
Manappuram Finance Limited	1.83	19.97	-	-	-	-	-	-	1.83	19.97
Rent receivable (Including Reimburesement)	-	**23.52**	-	-	-	-	-	-	-	**23.52**
Manappuram Finance Limited	-	23.52	-	-	-	-	-	-	-	23.52
Training expenses	-	**64.60**	-	-	-	-	**0.11**	-	**0.11**	**64.60**
Manappuram Finance Limited	-	64.60	-	-	-	-	-	-	-	64.60
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	0.11	-	0.11	-
Interest Expense on Loan	**1,251.25**	-	-	-	-	-	-	-	**1,251.25**	-
Manappuram Finance Limited	1,251.25	-	-	-	-	-	-	-	1,251.25	-
Interest Expense on Sub-debt	**1,687.50**	**1,687.50**	**46.42**	**46.42**	**4.10**	**4.10**	-	-	**1,738.01**	**1,738.02**
Manappuram Finance Limited	1,687.50	1,687.50	-	-	-	-	-	-	1,687.50	1,687.50
Mr. S V Raja Vaidyanathan	-	-	46.42	46.42	-	-	-	-	46.42	46.42
Mrs. Girija Vaidyanathan	-	-	-	-	4.10	4.10	-	-	4.10	4.10
Purchase of software	**192.35**	-	-	-	-	-	**1,298.71**	**1,602.33**	**1,491.05**	**1,602.33**
Manappuram Finance Limited	192.35	-	-	-	-	-	-	-	192.35	-
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	1,298.71	1,602.33	1,298.71	1,602.33
Software expense	-	-	-	-	-	-	**426.83**	**1,098.49**	**426.83**	**1,098.49**
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	426.83	1,098.49	426.83	1,098.49
Office expense	-	-	-	-	-	-	**6.98**	-	**6.98**	-
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	6.98	-	6.98	-
Donation	-	-	-	-	-	-	**183.53**	**556.54**	**183.53**	**556.54**
Manappuram Foundation	-	-	-	-	-	-	183.53	556.54	183.53	556.54
Rating fee payable	-	-	-	-	-	-	**4.48**	**14.91**	**4.48**	**14.91**
Infomerics Valuation and Rating Private Limited	-	-	-	-	-	-	4.48	14.91	4.48	14.91
Advisory Services	-	-	-	-	-	-	-	**81.75**	-	**81.75**
Pachira Financial Service Limited	-	-	-	-	-	-	-	81.75	-	81.75
Balances as at year end										
Loan	**69,000.00**	-	-	-	-	-	-	-	**69,000.00**	-
Manappuram Finance Limited	69,000.00	-	-	-	-	-	-	-	69,000.00	-
Sub debt	**15,000.00**	**15,000.00**	-	-	-	-	-	-	**15,000.00**	**15,000.00**
Manappuram Finance Limited	15,000.00	15,000.00	-	-	-	-	-	-	15,000.00	15,000.00
Interest payable on sub debt	**1,331.51**	**1,479.45**	-	-	-	-	-	-	**1,331.51**	**1,479.45**
Manappuram Finance Limited	1,331.51	1,479.45	-	-	-	-	-	-	1,331.51	1,479.45
Bonus Payable	-	-	**35.40**	-	-	-	-	-	**35.40**	-
Mr. Gerard David Manoj Pasangha	-	-	35.40	-	-	-	-	-	35.40	-
Training expense payable	-	**14.73**	-	-	-	-	-	-	-	**14.73**
Manappuram Finance Limited	-	14.73	-	-	-	-	-	-	-	14.73
Rent receivable	-	**2.01**	-	-	-	-	-	-	-	**2.01**
Manappuram Finance Limited	-	2.01	-	-	-	-	-	-	-	2.01
Office expense payable	-	-	-	-	-	-	**1.89**	-	**1.89**	-
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	1.89	-	1.89	-
Software expense payable	-	-	-	-	-	-	**20.35**	**20.26**	**20.35**	**20.26**
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	20.35	20.26	20.35	20.26
Software purchase payable	-	-	-	-	-	-	**36.89**	**141.04**	**36.89**	**141.04**
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	36.89	141.04	36.89	141.04
Sitting fee payable	-	-	**0.11**	-	-	-	-	-	**0.11**	-
Mr. S V Raja Vaidyanathan	-	-	0.11	-	-	-	-	-	0.11	-
Commission (Excl. GST)	-	-	**135.00**	-	-	-	-	-	**135.00**	-
Mr. Abhijit Sen	-	-	14.00	-	-	-	-	-	14.00	-
Mr. D R Dogra	-	-	19.50	-	-	-	-	-	19.50	-
Mr. Gautam Saigal	-	-	17.50	-	-	-	-	-	17.50	-
Mr. Harshan Kollara	-	-	17.50	-	-	-	-	-	17.50	-
Ms. Pushya Sitaraman	-	-	17.50	-	-	-	-	-	17.50	-
Mr. Subrata Kumar Atindra Mitra	-	-	17.50	-	-	-	-	-	17.50	-
Mr. S V Raja Vaidyanathan	-	-	14.00	-	-	-	-	-	14.00	-
Mr. T Balakrishnan	-	-	17.50	-	-	-	-	-	17.50	-

Note:
(a) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties.
(b) The Related Parties have confirmed to the Management that as at year ended March 31, 2026 and March 31, 2025 there are no further amounts payable to / receivable from them, other than as disclosed
(c) The above compensation to key management personnel includes value of pequisites and excludes gratuity and compensated absences which cannot be separately identified from the composite amount
(d) The transactions during the period are Inclusive of GST wherever applicable except for commission.
(e) Remuneration for KMP is reported on a pro-rata basis, covering the period from the date of their formal appointment designation as KMP during the financial year.
(f) During the reporting period, the company and Manappuram Finance Limited have entered into a Co-Lending arrangement. Under this arrangement, both entities share the risks and rewards in a pre-agreed rat

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

37 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loans from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing ratio :

	As at March 31, 2026	As at March 31, 2025
Borrowings	582,562.75	693,820.72
Cash and bank balance	(84,239.53)	(25,627.98)
Net debt (A)	**498,323.22**	**668,192.74**
Equity share capital	33,263.63	20,028.34
Other equity	134,852.21	131,447.45
Total equity (B)	**168,115.84**	**151,475.79**
Net debt to equity ratio (A/B)	**2.96**	**4.41**

38 Categories of financial instruments

The carrying value and fair value of the financial instruments by categories are as follows:

Particulars	Carrying Value		Fair Value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(a) Financial assets				
Measured at amortised cost				
- Loans	602,182.63	701,609.22	602,182.63	701,609.22
- Cash and cash equivalents	84,239.53	25,627.98	84,239.53	25,627.98
- Bank balance other than above	24,934.48	39,607.62	24,934.48	39,607.62
- Other financial assets	3,430.23	7,671.21	3,430.23	7,671.21
- Loan given to staff	-	-	-	-
Measured at fair value through OCI				
- Investments	20,301.37	20,894.94	20,301.37	20,894.94
Measured at fair value through Profit or Loss				
- Investments	42,268.24	20,197.39	42,268.24	20,197.39
Hedge accounting				
- Derivative financial instruments	1,315.70	1,118.24	1,315.70	1,118.24
Total	**778,672.18**	**816,726.60**	**778,672.18**	**816,726.60**
(b) Financial liabilities :				
Measured at amortised cost				
- Debt securities	44,051.13	2,486.87	44,051.13	2,486.87
- Borrowings (other than debt security)	473,456.19	626,374.72	473,456.19	626,374.72
- Subordinated liabilities	65,055.43	64,959.13	65,055.43	64,959.13
- Trade payables	1,883.66	2,045.38	1,883.66	2,045.38
- Derivative financial instruments	-	-	-	-
-Lease Liability	11,282.17	12,366.64	11,282.17	12,366.64
- Other financial liabilities	18,099.52	14,923.01	18,099.52	14,923.01
Hedge accounting				
- Derivative financial instruments				
Total	**613,828.10**	**723,155.75**	**613,828.10**	**723,155.74**

The management assessed that fair value of loans, cash and cash equivalents, bank balances, other financial assets, borrowings, trade payables, derivative financial instrument and other financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

39 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the management on a continuous basis.

(a) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(I) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. 'The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The Company provides for expected credit loss based on the following:

Assets covered	Nature	Basis of expected credit loss
Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans and other financial assets	Low credit risk	Life time expected credit loss
Loans	Moderate credit risk	Life time expected credit loss
Loans	High credit risk	Life time expected credit loss

Financial assets that expose the entity to credit risk

Particulars	Nature	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents (excluding cash on hand)	Low credit risk	83,749.11	24,653.10
Bank balance other than cash and cash equivalents	Low credit risk	24,934.48	39,607.62
Loans	Low credit risk	587,339.90	636,412.60
Loans	Moderate credit risk	3,871.56	40,613.69
Loans	High credit risk	10,971.18	24,582.93
Investments	Low credit risk	62,569.61	41,092.33
Other financial assets	Low credit risk	3,430.23	7,671.21

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country

Other financial assets

Other financial assets measured at amortized cost includes security deposits, receivable on assignment, advances recoverable on behalf of business correspondence arrangements, insurance claim receivables and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

The major guidelines for selection of the client includes:

1. The client's income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India;
2. The client must possess the required KYC documents
3. The client's household must be engaged in some form of economic activity which ensures regular and assured income;
4. Client must agree to follow the rules and regulations of the organisation and
5. Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organisation undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organisation in identifying clients with poor repayment histories and multiple loans

(II) Credit risk exposure

(i) Expected credit losses for financial assets other than loans

Except the following, the Company have not made expected credit losses for financial assets other than loan

Particulars	Cash and cash equivalents	Other bank balance	Loan given to staff	Investments	Other financial assets
As at March 31, 2026					
Estimated gross carrying amount	84,239.53	24,934.48	-	71,229.30	11,212.39
Less: Expected credit losses	-	-		8,659.69	7,782.16
Net carrying amount	**84,239.53**	**24,934.48**	**-**	**62,569.61**	**3,430.23**
As at March 31, 2025					
Estimated gross carrying amount	25,627.98	39,607.62	-	48,018.06	12,359.73
Less: Expected credit losses	-	-		6,925.73	4,688.52
Net carrying amount	**25,627.98**	**39,607.62**	**-**	**41,092.33**	**7,671.21**

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(ii) Movement of carrying amount and expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 01 April 2024	**999,063.15**	**20,097.55**	**44,011.48**
Assets originated*	(139,894.30)	47,705.15	61,938.84
Net transfer between stages	-	-	-
Transfer to stage 1		(263.02)	(69.42)
Transfer to stage 2	(53,268.89)	-	(9.57)
Transfer to stage 3	(61,702.10)	(1,197.56)	-
Assets derecognised or collected (excluding write offs)	-	(20.80)	(19,251.95)
Write - offs (including death cases)	(92,855.02)	(16,221.92)	(14,189.95)
Gross carrying amount as at March 31, 2025	**651,342.83**	**50,099.41**	**72,429.42**
Assets originated*	209,985.26	17,410.91	37,938.48
Net transfer between stages	(100,490.49)	46,045.15	(23,864.87)
Transfer to stage 1	-	(914.58)	(463.45)
Transfer to stage 2	(11,201.41)	-	(16.03)
Transfer to stage 3	(93,789.81)	(43,575.39)	-
Assets derecognised or collected (excluding write offs)	(49,747.35)	(28,456.06)	(40,715.25)
Write - offs (including death cases)	(7,118.77)	(34,344.72)	(13,239.56)
Gross carrying amount as at March 31, 2026	**598,980.26**	**6,264.72**	**32,068.75**

*Assets originated during the year has been presented on net basis i.e. the collections towards fresh loans has been netted off.

(iii) Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at March 31, 2024	**9,931.49**	**1,264.22**	**22,288.65**
Increase of provision due to assets originated during the year	101,208.76	17,105.34	42,544.79
Net transfer between stages			
Transfer to stage 1	-	6.48	8.08
Transfer to stage 2	(9,297.26)	-	1.25
Transfer to stage 3	(39,740.80)	(638.62)	-
Assets derecognised or collected (excluding write offs)	-	(10.57)	(9,780.30)
Impact of ECL on exposures transferred between stages during the year	-	-	-
Write - offs (including death cases)	(47,171.95)	(8,241.14)	(7,215.97)
Gross carrying amount as at March 31, 2025	**14,930.23**	**9,485.72**	**47,846.49**
Increase of provision due to assets originated during the year	(74,414.23)	(16,830.01)	6,883.41
Net transfer between stages			
Transfer to stage 1	6,954.53	(104.01)	(76.63)
Transfer to stage 2	4,199.92	70.83	(2.37)
Transfer to stage 3	61,427.56	21,609.56	1,672.44
Assets derecognised or collected (excluding write offs)	(1,274.70)	(5,343.01)	(26,394.25)
Impact of ECL on exposures transferred between stages during the year	-	-	-
Write - offs (including death cases)	(182.95)	(6,495.91)	(8,831.52)
Gross carrying amount as at March 31, 2025	**11,640.36**	**2,393.16**	**21,097.57**

(#) If the probability of default increases or decrease by 10 basis point the expected credit loss will increase or decrease by ₹ 424.45.00 lakhs (as at March 31, 2025 ₹ ₹ 419.98 Lakhs).

Similarly if the loss given default increases or decrease by 100 basis point the expected credit loss will increase or decrease by ₹ 699.08 (as at March 31, 2025 ₹ 1,141.31 Lakhs).

(III) Concentration of loans (*)

Particulars	As at March 31, 2026	As at March 31, 2025
Micro finance loans	430,957.96	668,792.42
Micro, small and medium enterprise (MSME)	1,830.33	5,504.09
Gold loans	204,525.44	99,575.15
Total	**637,313.73**	**773,871.66**
Total Assets	863,227.26	876,814.34
Percentage of Gold Loans to Total Assets	23.69%	11.36%

(*) The above figures represents the gross loan value along with interest accrued

(b) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Refer Note 42.21 which details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(c) Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, principally because the Company lend to customers at fixed interest rates and for periods that may differ from our funding sources, while the borrowings are at both fixed and variable interest rates for different periods. The Company assess and manage the interest rate risk by managing the assets and liabilities. The Asset Liability Management Committee ensures that all significant mismatches, if any, are being managed appropraitely.

The Company has Board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

Sensitivity

The sensitivity of the statement of profit and loss is the effect of the changes in market interest rates on bank and other borrowings. Below is the sensitivity of profit and loss in interest rates.

Particulars	As at March 31, 2026	As at March 31, 2025
Interest sensitivity*		
Interest rates – increase by 0.50%	1,556.88	2,561.67
Interest rates – decrease by 0.50%	(1,556.88)	(2,561.67)

** Holding all other variables constant*

Price Risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

Foreign currency risk

The Company is exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB). The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated 26 March 2019 and updated from time to time) which requires entities raising ECB for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure (Principal and Coupon). The Company hedges its entire ECB exposure for the full tenure of the ECB as per Board approved Interest Rate risk, Currency risk hedging policy.

The Company for its ECB, evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs. The Company manages its currency risks by entering into derivatives contracts as hedge positions and the same are being governed through the Board approved Interest rate risk, Currency risk hedging policy.

The Company's exposure of foreign currency risk (Euros) at the end of the reporting period expressed in ₹ are as follows:

Hedged	Impact on profit an loss account	
	As at March 31, 2025	As at March 31, 2024
USD Sensitivity		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-
EURO Sensitivity		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-

Particular	Impact on other comprehensive income	
	As at March 31, 2026	As at March 31, 2025
USD Sensitivity		
Hedging Instrument		
INR/USD - Increase by 1%*	58.40	81.80
INR/USD - Decrease by 1%*	(58.40)	(81.80)
Hedged Item		
INR/USD - Increase by 1%*	(56.79)	(77.02)
INR/USD - Decrease by 1%*	56.79	77.02
EURO Sensitivity		
Hedging Instrument		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-
Hedged Item		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-

Unhedged

* represents the notional amount of the derivative financial instrument

Hedging policy

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

40 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on and to the extent of information received by the Company from the suppliers during the year regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars for the years ended March 31, 2026 and March 31, 2025 are furnished below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are	-	-

Note:
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

41 Contingent Liabilities and commitments

	As at March 31, 2026	As at March 31, 2025
A. Contingent liabilities:		
(a) Claims against the company not acknowledged as debt;	-	-
(b) Guarantees excluding financial guarantees; and	-	-
(c) Other money for which the company is contingently liable [refer (i) below)]	**6,058.48**	**8,902.00**
(i) Income Tax		
- Income Tax (A.Y. 2015-16)	-	1,124.50
- Income Tax (A.Y. 2016-17)	-	1,978.91
- Income Tax (A.Y. 2017-18)	-	1,348.79
- Income Tax (A.Y. 2020-21)	2,133.13	1,953.49
- Income Tax (A.Y. 2021-22)	501.38	501.38
- Income Tax (A.Y. 2022-23)	-	
- Income Tax (A.Y. 2023-24)	1,875.58	1,875.58
- Income Tax (A.Y. 2024-25)	1,434.83	
	5,944.92	**8,782.65**
(ii) Indirect Tax (GST)		
- GST (FY 2017-20)	60.94	60.94
- GST (FY 2022-23)	35.98	35.98
	96.92	**96.92**
(iii) Non Tax Cases	**16.64**	**22.43**
B. Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Other Intangible Assets	-	-
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments (specify nature).	-	-
	-	-

A) Income Tax

Income Tax (A.Y. 2020-21)

During the FY 2022-23, the Company has received an Assessment order under Section 143(3) for the AY 2020-21 with demand of ₹ 2,134.4 Lakhs by disallowing expenses and ICDS adjustment aggregating to the tune of ₹ 8,511.87 Lakhs under section 41, 43B, 36(1)(va) and 36(1)(viia) w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and ICDS Adjustments.

ITAT has dismissed the impugned 143(3) order and remanded back to JAO for fresh assessment. Based on the professional advice, the company strongly believe that majority of the disallowance will be decided in their favour and hence no provision has been considered except in case of bonus and ICDS Adjustments for which provision of ₹1.258 lakhs is considered in the books of accounts.

During FY 2025-26 , notice initiated u/s 148(A)(1) related to addition of ₹ 7,14.13 Lakh being the excess claim of bad debts written off in AY 2020-21 under section 36(1)(viia) against which provision of Rs179.64Lakhs has been created

Income Tax (A.Y. 2021-22)

During the FY 2022-23, the Company has received an Assessment order under Section 143(1) for the AY 2021-22 with demand of ₹ 557.4 Lakhs by disallowing expenses and recovery of bad and doubtful debts aggregating to the tune of ₹ 1,560.6 Lakhs under section 43B, 36(1)(va) and 41 w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and recovery of bad and doubtful debts etc.

As per the order pronounced on 18-09-2024, ITAT set aside the order and directed the CIT(A) adjudicate the issues afresh. Based on professional advice, the company strongly believe that majority of the disallowance and deemed income will be decided in their favour and hence no provision has been considered except for disallowance w.r.t bonus and gratuity u/s 43B for which provision amounting Rs 55.98 Lakhs is considered in the books of accounts.

Income Tax (A.Y. 2022-23)

During FY 2025-26, the Company received a notice u/s 154 r.w.s 143(3) for add-backs totaling ₹ 24.44 Lakh related to delayed PF, ESI, and welfare fund contributions u/s 36(1)(va); company has created an adequate provision of Rs6.15 Lakh against delay in remitting Employee's contribution to PF/ ESI - Sec 36(1)(va).

Income Tax (AY 2023-24)

The Central Processing Centre (CPC) processed the company's return of income under Section 143(1) and determined a differential tax liability of ₹1,875.58 lakhs. This arose due to the disallowance of an amount under Section 41, treating bad debt recovery as taxable, despite it already being reported as other income in the Income Tax Return and deductions claimed under Section 80JJAA were disallowed due to procedural lapses. The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favourable outcome is expected in this regard.

Income Tax (AY 2024-25)

During the FY 2025-26,company has received as Assessment order under section 143(1) for the AY 2024-25 with a demand of Rs 655.35 lakh due to disallowance of an amount under section 41,treating bad debt recovery as taxable The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favorable outcome is expected in this regard.

In FY 2025-26 ,company has received an Assessment order under section 143(3) for the AY 2024-25 with demand of Rs 1,339.63 by disallowing unexplained trade payables, expenditure u/s 14A, donations, and loss on security receipts for which provision of amounting to Rs 560.15 has been created against expenditure u/s14A,donation,loss on security receipt. The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favorable outcome is expected in this regard.

42 Disclosures as required under Master direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

42.1 Details of registration with financial regulators

Regulator	Registration No.
Ministry of Company Affairs	CIN:U65923TN2007PLC064550
Reserve Bank of India	N-07-00769 dated 27 September 2016

42.2 Disclosure of penalties imposed by RBI and other regulators

There are no penalty imposed by Reserve Bank of India and other regulators for the year ended March 31 , 2026, March 31 , 2025, except for the following:

For the Year Ended 31 March, 2025

Regulator	Reason	Amount (In Rupees)
RBI	Regulatory Non Compliance	620,000.00

42.3 Area of Operation

The Company operates only in India in 22 states and 4 Union territories from 1765 branches.

42.4 Related party transactions

Details of all material related party transactions are disclosed in Note 36.

42.5 Remuneration of directors (other than Managing Director)

Details of commission payable to directors (other than managing director) are disclosed in Note 36.

A. JOHN MORIS & CO., CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ lakhs unless otherwise stated)

42.6 Concentration of advances, exposures and NPA's

The Company operates in the business of microfinance providing collateral free loans for fixed amounts ranging from ₹ 10,000 to ₹ 90,000 to women engaged in various income generating activities. As at March 31,2026, the company has provided loans to more than 29.37 lakhs women and hence, the disclosure relating to concentration to advances, exposures and NPA's are not applicable to the Company.

42.7 Ratings assigned by credit rating agencies

Particulars	Amount Rated (In Lakhs)*	March 31, 2026	March 31, 2025
Commercial paper	40,000	Crisil A1+	Crisil A1+
Bank Loan Facilities	900,000	Crisil AA-/Stable	Crisil AA-/Stable
Long Term Bank Facilities	200,000	Care AA- /Stable	Care AA- /Stable
Long term Non-Convertible Debentures	61,900	Crisil AA-/Stable	Crisil AA-/Stable
Long term Non-Convertible Debentures	20,000	Care AA- /Stable	Care AA- /Stable
MFI Grading	NA	CARE MFI-1	CARE MFI-1
Subordinated Debt	91,000	Crisil AA-/Stable	Crisil AA-/Stable
COCA report	NA	CARE C1	CARE C1
Market Linked Debentures	33,550	Crisil PPMLD AA-/Stable	Crisil PPMLD AA-/Stable

**Amount rated is as on March 31, 2026.*

42.8 Sector-wise NPAs:

	As at March 31, 2026	As at March 31, 2025
Agriculture & allied activities	10.40%	10.82%
MSME	18.57%	16.83%
Corporate borrowers	NA	NA
Services	19.96%	15.80%
Unsecured personal loans	75.14%	37.80%
Auto loans (commercial vehicles)	NA	NA
Other loans	0.56%	1.57%

42.9 Provisions and Contingencies (shown under the head Expenditure in Statement of Profit and Loss)

	Year ended March 31, 2026	Year ended March 31, 2025
Provision for income tax (excluding deferred tax)	-	-
Provision towards standard assets	(10,382.43)	13,001.66
Provision towards non performing assets	111,696.26	156,676.76
Provision and contingencies on gratuity	728.85	669.66
Provision towards compensated absences	209.36	288.26
Provision for insurance claim receivable	15.07	(229.93)
Provision for Receivable from Resigned Staff	6,449.13	4,626.35
	108,716.24	**175,032.76**

42.10 Movement of NPAs

	Year ended March 31, 2026	Year ended March 31, 2025
Net NPAs to net advances (%)	1.60%	2.46%
Movement of NPAs (Gross)		
(a) Opening balance	65,513.46	40,315.44
(b) Additions during the year	134,455.55	177,468.82
(c) Reductions during the year	(168,955.13)	(152,270.80)
(d) Closing balance	**31,013.88**	**65,513.46**
Movement of Net NPAs		
(a) Opening balance	17,666.97	18,045.76
(b) Additions during the year	43,027.68	25,552.77
(c) Reductions during the year	(50,778.34)	(25,931.56)
(d) Closing balance	**9,916.31**	**17,666.97**
Movement of provisions for receivables under financing activities		
(a) Opening balance	47,846.49	22,269.68
(b) Provisions made during the year	91,427.87	151,916.05
(c) Write-off / write-back of excess provisions	(118,176.79)	(126,339.24)
(d) Closing balance	**21,097.57**	**47,846.49**

42.11 Overseas assets (for those with Joint ventures and Subsidiaries abroad)

The Company did not have any overseas assets during the current and previous year.

42.12 Off-balance sheet SPVs sponsored

The Company did not sponsor any SPVs during the current and previous year.

42.13 Off-balance sheet exposures and structured products

The Company has no reportable off-balance sheet exposures or investments in structured financial products as of 31st March 2026.

42.14 Investments

	As at March 31, 2026	As at March 31, 2025
Value of Investments		
(i) Gross Value of Investments		
(a) In India	71,229.30	48,018.06
(b) Outside India,	-	
(ii) Provisions for Depreciation		
(a) In India	8,659.69	6,925.73
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	62,569.61	41,092.33
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments	-	-
(i) Opening balance	6,925.73	2,098.00
(ii) Add : Provisions made during the year	1,733.95	4,827.73
(iii) Less : Write-off / write-back of excess	-	-
(iv) Closing balance	8,659.69	6,925.73

42.15 Derivatives:

	As at March 31, 2026	As at March 31, 2025
Cross Currency Interest Rate Swap		
The notional principal of swap agreements	5,679.26	7,702.33
(Gains) losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	1,315.70	1,118.24
Collateral required by the NBFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book	1,315.70	1,118.24

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

Exchange traded interest rate (IR) derivatives
The Company does not have any exchange traded interest rate derivative

Quantitative disclosures

Particulars	March 31, 2026	March 31, 2025
Derivatives (notional principal amount)		
For hedging	5,679.26	7,702.33
Marked to market positions		
a) Asset (+)	1,315.70	1,118.24
b) Liability (-)	-	-
Credit exposure	-	-
Unhedged exposure	-	-

Qualitative disclosure

During the year ended March 31, 2026 and March 31, 2025 the Company has an existing derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS). Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in the Statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of profit and loss depends on the nature of the hedge relationship. During the year ended March 31, 2026 and March 31, 2025 the Company has designated derivatives as cash flow hedges of a recognised liability and has no fair value hedges. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk Management objective and strategy for undertaking the hedge. The documentation includes the Company's risk Management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

During the year ended March 31, 2026 and March 31, 2025 hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

42.16 Capital Adequacy Ratio

Particulars	As at March 31, 2026			As at March 31, 2025		
	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio
(i) CRAR (%)	1,35,411.53	6,70,345.22	20.20%	1,56,436.27	7,47,330.74	20.93%
(ii) CRAR – Tier 1 capital (%)	1,09,773.36	6,70,345.22	16.38%	1,18,295.23	7,47,330.74	15.83%
(iii) CRAR – Tier 2 capital (%)	25,638.16	6,70,345.22	3.82%	38,141.03	7,47,330.74	5.10%
(iv) Amount of subordinated debt raised as Tier- 2 capital						
(v) Amount raised by issue of Perpetual Debt Instruments						
(vi) Amount of funds raised through PDI and outstanding at the close of the financial year;						
(vii) Amount of funds raised through PDI during the year						
(viii) Percentage of the amount of PDI of the amount of its Tier 1 capital;						
(ix) Financial year in which interest on PDI has not been paid						
(x) Liquidity Coverage Ratio	22,795.59	13,577.86	167.89%	39,882.04	20,801.77	191.72%

42.17 Details of financing of parent company products
The Company does not finance any parent company's products and accordingly disclosures is not required.

42.18 Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC
There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

42.19 Unsecured Advances
Refer note 7(a)

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007230S

ASIRVAD MICRO FINANCE LIMITED

42 Disclosures as required under Master direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025-Continued

42.20 Asset Liability Management

(a) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2026:

Particulars	1 to 7 days	8 to 14 days	15 to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months and to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits											
Advances	5,286.55	4,859.31	11,029.99	23,606.19	24,351.67	72,896.23	3,05,099.71	1,43,894.07	9,058.75	2,100.16	6,02,182.63
Investments	20,301.37	-	-	-	-	-	-	332.80	-	41,935.44	62,569.61
Borrowings	1,144.44	5,653.94	13,649.69	26,930.82	38,920.50	92,186.30	1,86,556.99	1,91,258.62	26,261.46	-	5,82,562.75
Foreign Currency assets											
Foreign Currency liabilities											

(b) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2025 *:

Particulars	1 to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Deposits											
Advances	19,858.83	9,375.42	21,085.79	43,699.79	42,122.86	1,21,291.94	2,36,953.84	2,06,758.70	294.63	-	7,01,441.80
Investments	20,674.00	-	-	-	786.60	-	-	-	-	19,416.54	40,877.14
Borrowings	1,914.6	8,224.45	24,217.95	45,052.51	58,231.94	1,17,390.73	1,85,052.53	2,02,430.03	41,305.9	10,000.00	6,93,820.71
Foreign Currency assets											
Foreign Currency liabilities											

*Numbers appearing in the ALM table is extracted from DNBS-4 filed with the RBI by the company for the month of March 2025

42.21 Draw down from reserves

There are no drawdown reserves from statutory reserves during the year ended March 31,2026.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

43 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

Particulars	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
As at March 31, 2026	24	499,930.82	Not Applicable	81.15%
As at March 31, 2025	29	627,759.99	Not Applicable	86.55%

Notes:
A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 1% for other non-deposit taking NBFCs.
Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(ii) Top 20 large deposits (amount in Lakhs and % of total deposits) - Not applicable

(iii) Top 10 borrowings

Particulars	As at March 31, 2026		As at March 31, 2025	
	Amount	% of Total borrowings	Amount	% of Total borrowings
Top 10 borrowings	324,926.02	55.78%	371,718.87	51.25%

(iv) Funding concentration based on significant instrument / product

Name of the instrument/product	As at March 31, 2026		As at March 31, 2025	
	Amount	% of total liabilities	Amount	% of total liabilities
Borrowings (other than debt securities)	473,456.19	76.85%	626,374.72	86.36%
Debt securities	44,051.13	7.15%	2,486.87	0.34%
Subordinated liabilities	65,055.43	10.56%	64,959.13	8.96%

Notes:
A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(v) Stock Ratio

Particulars	As at March 31, 2026	As at March 31, 2025
Commercial papers as a % of total liabilities	2.35%	0.00%
Commercial papers as a % of total assets	1.68%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	60.59%	63.61%
Other short-term liabilities as a % of total assets	43.24%	52.69%

(vi) Institutional set-up for Liquidity Risk Management
The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. 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 and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

44 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

S.No	Particulars	As at March 31, 2026		As at March 31, 2025	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
1	**Liabilities:** **Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**				
(a)	Debentures				
	- Secured	7,313.82	-	2,485.04	-
	- Unsecured	70,998.51	-	48,629.46	-
	(other than falling within the meaning of public deposits)				
(b)	Deferred credits		-	-	-
(c)	Term loans	394,826.34		608,478.94	
(d)	Inter-corporate loans and borrowings	85,331.51	-	16,331.51	-
(e)	Commercial paper	14,462.72	-	-	-
(f)	Other Loans	9,629.84	-	17,895.78	-

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

S.No	Particulars	Amount Outstanding	
		As at March 31, 2026	As at March 31, 2025
	Assets:		
2	**Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below] :**		
(a)	Secured	206,031.92	103,579.92
(b)	Unsecured	431,281.81	670,291.74
3	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
(i)	Lease assets including lease rentals accrued and due:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

S.No	Particulars	Amount Outstanding	
		As at March 31, 2026	As at March 31, 2025
4	**Break-up of Investments**		
	Current Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
	Long Term Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity		
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	20,301.37	20,889.19
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	-	5.75
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
(v)	Investment in Pass Through Certificates	-	-
(v)	Investment in Pass Through Certificates	-	-
(vi)	Investment in Equity Tranche	332.80	786.60
(vii)	Others(Security Receipts in ARC and PTC)	41,935.45	19,410.79

5 **Borrower Group-wise Classification of Assets Financed as in (2) and (3) above**

S.No	Category	As at March 31, 2026(Net of Provisions)			As at March 31, 2025(Net of Provisions)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
2	Other than related parties	204,620.13	397,562.50	602,182.63	102,717.10	598,892.11	701,609.22
		204,620.13	**397,562.50**	**602,182.63**	**102,717.10**	**598,892.11**	**701,609.22**

Note: The amount of Assets financed represents the net owned portfolio outstanding after adjusting the provisions for standard, substandard and doubtful assets.

6 **Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :**

S.No	Category	As at March 31, 2026		As at March 31, 2025	
		Market Value / Break up Value or Fair Value or Net Asset Value	Book Value	Market Value / Break up Value or Fair Value or Net Asset Value	Book Value
1	Related parties				
(a)	(a) Subsidiaries	-	-	-	-
(b)	(b) Companies in the same group	-	-	-	-
(c)	(c) Other related parties	-	-	-	-
2	Other than related parties	62,569.61	62,569.61	41,092.33	41,092.33
		62,569.61	**62,569.61**	**41,092.33**	**41,092.33**

7 **Other Information**

S.No	Category	As at March 31, 2026		As at March 31, 2025	
		Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i)	Gross non-performing assets	-	31,013.88	-	65,513.46
(ii)	Net non-performing assets	-	9,916.31	-	17,666.97
(iii)	Assets acquired in satisfaction of debt	-	-	-	-

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

45 Disclosure Pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dt November 28, 2025

Particulars	As at June 30, 2025		As at September 30, 2025		As at December 31, 2025		As at March 31, 2026	
	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 Asset								
Cash and bank balances	6,115.30	6,115.30	3,685.34	3,685.34	3,931.40	3,931.40	2,795.59	2,795.59
Unencumbered fixed deposits							-	-
Investment in G sec	22,417.58	22,417.58	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
	28,532.88	**28,532.88**	**23,685.34**	**23,685.34**	**23,931.40**	**23,931.40**	**22,795.59**	**22,795.59**
Cash Outflows								
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	-	-	-	-	-	-	-	-
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
Outflows related to loss of funding of debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	60,165.98	69,190.88	53,578.18	61,614.91	52,756.35	60,669.80	47,227.33	54,311.43
Other contingent funding obligations	-	-	-	-	-	-	-	-
	60,165.98	**69,190.88**	**53,578.18**	**61,614.91**	**52,756.35**	**60,669.80**	**47,227.33**	**54,311.43**
Cash Inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing exposures	-	-	-	-	-	-	-	-
Monthly Collection & Other cash inflows	60,348.34	45,261.25	50,032.80	37,524.60	46,845.75	35,134.31	49,092.25	36,819.19
Contingent Funding/Credit Line available	45,247.25	33,935.44	32,591.30	24,443.48	40,065.22	30,048.91	35,943.19	26,957.39
	105,595.59	**79,196.69**	**82,624.11**	**61,968.08**	**86,910.97**	**65,183.23**	**85,035.44**	**63,776.58**

Liquidity coverage ratio

Particulars	As at June 30, 2025	As at September 30, 2025	As at December 31, 2025	As at March 31, 2026
Total high quality liquid assets (a)	28,532.88	23,685.34	23,931.40	22,795.59
Total net cash outflows (b)	17,297.72	15,403.73	15,167.45	13,577.86
Liquidity coverage ratio (a)/(b)	**164.95%**	**153.76%**	**157.78%**	**167.89%**

The inflows and outflows for the three months period June 30, 2025, September 30, 2025, December 31, 2025 and March 31,2026 have been extracted from the form DNBS 4 filed by the company with Reserve bank of India.

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 dated November 28, 2025. The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the year ended March 31, 2026 was 167.89% which is above the regulatory requirement.

46 Currency Options

The Company has not undertaken any transactions in designated currency options exchanges recognized by SEBI during the financial year. Accordingly, no disclosures are required in this regard.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

47 Loans against gold and silver collateral

i)Details of loans extended against eligible gold and silver collateral

Particulars	Loan outstanding as on 31 March 2026		Average ticket size	Average LTV ratio	Gross NPA (%)
		As % of Total Loans			
1. Opening balance of the FY [(a)+(b)]	92,838.44	100%	0.51	54%	1.73%
(a) Consumption loans	92,838.44	100%	0.51	54%	1.73%
of which bullet repayment loans	92,838.44	100%	0.51	54%	1.73%
(b) Income generating loans	-	0%	-	0%	0%
2. New loans sanctioned and disbursed during the FY [(c)+(d)]	146,381.85		0.45	53%	NA
(c) Consumption loans	146,381.85		0.45	53%	NA
of which bullet repayment loans	146,381.85		0.45	53%	NA
(d) Income generating loans	-		-	0%	NA
3. Renewals sanctioned and disbursed during the FY	860,661.98		1.20	53%	NA
4. Top-up loans sanctioned and disbursed during the FY	-		-		NA
5. Loans repaid during the FY [(e)+(f)]	895,953.65		NA	NA	NA
(e) Consumption loans	895,953.65		NA	NA	NA
of which bullet repayment loans	895,953.65		NA	NA	NA
(f) Income generating loans	-		NA	NA	NA
6. Non-Performing Loans recovered during the FY [(g)+(h)]	2,811.14		NA	NA	NA
(g) Consumption loans	2,811.14		NA	NA	NA
of which bullet repayment loans	2,811.14		NA	NA	NA
(h) Income generating loans	-		NA	NA	NA
7. Loans written off during the FY [(i) + (j)]	-		NA	NA	NA
(i) Consumption loans	-		-	NA	NA
of which bullet repayment loans	-		-	NA	NA
(j) Income generating loans	-		-	NA	NA
8. Closing balance at the end of FY [(k)+(l)]	203,928.62		0.85	53%	0.56%
(k) Consumption loans of which bullet repayment loans	203,928.62		0.85	53%	0.56%
of which bullet repayment loans	203,928.62		0.85	53%	0.56%
(l) Income generating loans	-		-	-	-

Particulars	Loan outstanding as on 31 March 2025		Average ticket size	Average LTV ratio	Gross NPA (%)
		As % of Total Loans			
1. Opening balance of the FY [(a)+(b)]	88,967.95	100%	0.50	62%	1.94%
(a) Consumption loans	88,967.95	100%	0.50	62%	1.94%
of which bullet repayment loans	88,967.95	100%	0.50	62%	1.94%
(b) Income generating loans	-	0%	-	0%	0%
2. New loans sanctioned and disbursed during the FY [(c)+(d)]	97,660.00		-		NA
(c) Consumption loans	97,660.00		0.37	54%	NA
of which bullet repayment loans	97,660.00		0.37	54%	NA
(d) Income generating loans	-		-		NA
3. Renewals sanctioned and disbursed during the FY	990,069.00		0.89	54%	NA
4. Top-up loans sanctioned and disbursed during the FY	-		-		NA
5. Loans repaid during the FY [(e)+(f)]	1,083,858.51		NA	NA	NA
(e) Consumption loans	1,083,858.51		NA	NA	NA
of which bullet repayment loans	1,083,858.51		NA	NA	NA
(f) Income generating loans	-		NA	NA	NA
6. Non-Performing Loans recovered during the FY [(g)+(h)]	-		NA	NA	NA
(g) Consumption loans	-		NA	NA	NA
of which bullet repayment loans	-		-	NA	NA
(h) Income generating loans	-		NA	NA	NA
7. Loans written off during the FY [(i) + (j)]	-		NA	NA	NA
(i) Consumption loans	-		-	NA	NA
of which bullet repayment loans	-		-	NA	NA
(j) Income generating loans	-		-	NA	NA
8. Closing balance at the end of FY [(k)+(l)]	92,838.44		0.85	53%	0.56%
(k) Consumption loans	92,838.44		0.85	53%	0.56%
of which bullet repayment loans	92,838.44		0.85	53%	0.56%
(l) Income generating loans	-		-	-	-

A. JOHN MORIS & CO. ★ CHARTERED ACCOUNTANTS ★ FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

ii)Details of gold and silver collateral and auctions

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Unclaimed gold or silver collateral at the end of the financial year (in grams)	-	-
(b) Number of loan accounts in which auctions were conducted	1,115	2,076
(c) Total outstanding in loan accounts mentioned in (b)	706.95	1,171.70
(d) Gold or silver collateral acquired during the FY due to default of loans (in grams)	238,756.82	274,410.71
(e) Gold or silver collateral auctioned during the FY (in grams)	17,484.85	29,713.96
(f) Recovery made through auctions during the FY	731.16	1,604.60
(g) Recovery percentage:		
(h) as % of value of gold or silver collateral	61.41%	88.00%
(i) as % of outstanding loan	103.42%	136.95%

Note: No sister concerns participated in the auctions held during the financial year ended on March 31, 2026 and March 31, 2025

48 Disclosures on Co-Lending Arrangements

Particulars	For the year ending 31st March 2026	For the year ending 31st March 2025
1. Quantum of Co-Lending Arrangements		
(a) Total Sanctioned Amount during the period	4,117.32	NIL
(b) Total Outstanding Balance at end of period	3,902.91	NIL
2. Pricing and Costs		
(a) Weighted Average Rate of Interest (%)	20.61%	NA
(b) Total Fees Charged to Customers	0.09	NA
(c) Total Fees Paid to Co-Lending Partners	NIL	NA
3. Sectoral Exposure (Broad Sectors)		
(a) [e.g., Agriculture]		
(b) [e.g., MSME]		
(c) [e.g., Retail/Personal Loans]		
4. Performance of Loans under CLA		
(a) Gross NPA (%)	NIL	NA
(b) Provisioning Coverage Ratio (%)	NIL	NA
5. Default Loss Guarantee (DLG)		
(a) Total amount of DLG provided/received	NIL	NA
(b) Nature of DLG (e.g., Cash Deposit, Bank Guarantee)	NIL	NA

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007200S

ASIRVAD MICRO FINANCE LIMITED

49 RBI/DOS/2024-25/120 DOS.CO.FMG.SEC.No.7/23.04.001/2024-25 dated July 15, 2024

Details of embezzlement/ misappropriation of cash

For the year ended FY 2025-26

Category	More than ₹ 1 Lakh		Less than ₹ 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	377	1,416.21	1146	338.71
- By Others	0	-	0	-
Total	**377**	**1,416.21**	**1146**	**338.71**

For the year ended FY 2024-25

Category	More than ₹ 1 Lakh		Less than ₹ 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	373	1,487.25	117	52.39
- By Others	1	1.14	10	3.72
Total	**374**	**1,488.39**	**127**	**56.11**

Note: The above summary is prepared based on the information available with the Company and relied upon by the Auditors.

49.1 Undisclosed income

There are no transactions not recorded in the books of accounts.

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007230S

ASIRVAD MICRO FINANCE LIMITED

50 Corporate Social Responsibility (CSR)

For the year ended March, 2026

During the year, the Company incurred an aggregate amount of ₹ 183.53 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As on March 31, 2026	
	Projects related to FY 2025-26	Projects related to FY 2024-25
(a) Gross amount required to be spent by the company during the period as per Sec 135 of Companies Act, 2013	81.03	102.50
(b) Excess Amount spent in previous year	0.00	0.00
(c)Gross amount required to be spent by the company during the period after adjustment, if any (a)-(b)	81.03	102.50
(d) Amount spent during the period ended on March 31, 2025:	81.03	102.50
i) Construction / acquisition of any asset	66.96	102.50
ii) On purposes other than (i) above	14.07	0.00
(e) Unspent Amount as on March 31, 2025 (c)-(d)	0.00	0.00
(f) Excess Amount spent as on March 31, 2025	0.00	0.00
(g) Surplus generated for CSR fund during previous year	0.00	0.00
(h) Amount Transferred to CSR Unspent account as per Companies Act, 2013	0.00	0.00
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2025	0.00	0.00
(j) Reason for shortfall	NA	NA
(k) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.		
i) Trust Name	Manappuram Foundation	Manappuram Foundation
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promoting Health care including preventive healthcare d) Promotion of Health care and Women empowerment	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group. c) Promotion of Health care and Women empowerment d) Eradicating hunger, poverty and malnutrition e) Promotion of Healthcare/preventive healthcare

For the year ended March, 2025

During the year, the Company incurred an aggregate amount of ₹554.98 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As on March 31, 2025	
	Projects related to FY 2024-25	Projects related to FY 2021-22
(a) Gross amount required to be spent by the company during the period as per Sec 135 of Companies Act, 2013	635.74	21.73
(b) Excess Amount spent in previous year	0.00	0.00
(c)Gross amount required to be spent by the company during the period after adjustment, if any (a)-(b)	635.74	21.73
(d) Amount spent during the period ended on March 31, 2025:	533.24	21.73
i) Construction / acquisition of any asset	488.14	21.73
ii) On purposes other than (i) above	45.10	0.00
(e) Unspent Amount as on March 31, 2025 (c)-(d)	102.50	0.00
(f) Excess Amount spent as on March 31, 2025	0.00	0.00
(g) Surplus generated for CSR fund during previous year	0.00	0.00
(h) Amount Transferred to CSR Unspent account as per Companies Act, 2013	102.50	0.00
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2025	102.50	0.00
(j) Reason for shortfall	Fund is allocated for ongoing projects	NA
(k) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.		
i) Trust Name	Manappuram Foundation	Manappuram Foundation
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promoting Health care including preventive healthcare d) Promotion of Health care and Women empowerment	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group. c) Promotion of Health care and Women empowerment d) Eradicating hunger, poverty and malnutrition e) Promotion of Healthcare/preventive healthcare

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

51 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the years ended March 31, 2026, March 31, 2025.

52 Statutory Reserve

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at a rate of 20% of the net profit after tax of the Company every year. Considering the Loss after tax for the period ended March 31, 2026 and March 31, 2025, no amount is transferred to the statutory reserve as required under Section 45-IC of Reserve Bank of India (RBI) Act, 1934.

53 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Notional expressed in ₹	Maturity date	Changes in fair value of hedging instrument Assets	Changes in fair value of hedging instrument Liability	Line item in Balance Sheet
Cash flow hedge					
Foreign exchange forward contracts (Cross currency interest rate swaps) (USD)					
For the year ended March 31 2026	5,679.26		1,315.70	-	Derivative financial instruments
For the year ended March 31 2025	7,702.33		1,118.24	-	Derivative financial instruments
Foreign exchange forward contracts (Cross currency interest rate swaps) (EURO)					
For the year ended March 31 2026	-		-	-	Derivative financial instruments
For the year ended March 31 2025	-		-	-	Derivative financial instruments

b) Disclosure of effects of hedge accounting on financial performance

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange forward contracts (Cross currency interest rate swaps)				
For the year ended March 31 2026	197.46	-	199.93	Finance Cost
For the year ended March 31 2025	(238.48)	-	(79.54)	Finance Cost

Hedged Item

ECB Loans	As at March 31, 2026	As at March 31, 2025
Change in the value of hedged item used as the basis for recognising hedge in effectiveness	(1,233.26)	(1,033.33)
Cash flow hedge reserve as at*	82.44	84.91
Hedging gains or losses recognised in other comprehensive income	(2.47)	(158.94)

The hedge ineffective portion is acconted for as Finance Cost under the profit and loss account

* Figures are gross of tax

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

54 Share Based payments to Employees

Employee Stock Option Scheme (ESOS), 2019

(a) The details of the Employee Stock Option Scheme 2019 are as under:

Date of share holders' approval	02-Feb-19
Number of options approved	830,000
Date of grant	July 1, 2019
Number of options granted upto June 30, 2023	830,000
Method of settlement	Equity
Graded Vesting	30% after two years from the date of grant i.e. July 1, 2021 and 35% after three years from the date of grant i.e July 1,2022 and the balance 35% after four year from the date of grant i.e. July 1, 2023
Exercisable period	1 year from graded vesting date
Vesting conditions	Continuous employment /service as on relevant date of vesting and pre-determined performance parameters, if any

The Company has adopted the Employee Stock Option Scheme framed in accordance with the Section 62(1)(c) of the Companies Act 2013 read with Rules 12 of the Companies (Share Capital and Debenture) Rules, 2014 made thereunder.

The Company has granted 830,000 options at an exercise price of ₹ 364/- on July 1,2019 which will vest over a period of four years from the grant date (30% after two years from the date of grant i.e. July 1, 2021 and 35% after three years from the date of grant i.e July 1,2022 and the balance 35% after four years from the date of grant i.e. July 1, 2023. The exercise period commences from the date of vesting and will expire not later than one year from the date of vesting.

(b) The summary of the movements in options is given below:

	As at March 31, 2026	As at March 31, 2025
Options outstanding, beginning of year	-	17,500
Options granted during the year	-	-
Increase on account of Bonus issue	-	-
Lapsed Options restored during the year	-	-
Options lapsed during the year period ended	-	-
Options lapsed during the year due to end of exercise period for tranche	-	17,500
Options Expired during the year	-	-
Options Exercised during the year	-	-
Options vested and Outstanding at the end of the year	-	-
Options outstanding at the year end comprise of :		
- Options eligible for exercise at the end of the year	-	-
- Options not eligible for exercise at the end of the year	-	-

Expenses recognised in the Profit and loss accounts for the year ended March 31, 2026 and March 31, 2025 is Nil
Tax impact for year March 31, 2026 and March 31, 2025 is Nil

(c) The fair value of options estimated at the date of grant using the Black-Scholes method and the assumptions used are as under

Grant Date	01-Jul-2019
Option Price Model	Black Scholes Method
Exercise Price	364
Share Price on Grant Date	239.37
Expected Volatility	0.5
Expected time to exercise shares	1 Year after Vesting i.e. last possible exercise date
Risk-free rate of return	6.61% - 7.00%
Dividend Yield	0
Fair Value of ESOP at Grant Date	63.24 - 96.7
Weighted Average Fair Value of ESOP at Grant Date	81.1845
Method used to determine expected volatility	The expected volatility is based on price volatility of similar NBFC Listed company.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

55 Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Receivables considered good - Secured		
(b) Receivables considered good - Unsecured;	25.66	106.22
(c) Receivables which have significant increase in Credit Risk		
(d) Receivables - credit impaired		
Gross	25.66	106.22
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net	**25.66**	**106.22**

Trade receivables ageing

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	-	4.62	21.04	-	-	25.66
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	7.63	23.62	-	74.96	-	106.22
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on trade receivables.
There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

A. JOHN MORIS & CO. ★ CHARTERED ACCOUNTANTS ★ FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

56 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	55.40	56.86
Total	55.40	56.86

Ageing as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	55.40	-	-	-	55.40
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	56.86	-	-	0	56.86
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

57 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2026 and March 31, 2025.

58 Revaluation of Property, Plant and equipment

During the Financial year, the Company has not revalued its Property, Plant and Equipment

59 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,)

During the Financial year, the Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,)

60 Capital-Work-in-Progress (CWIP) and Intangible assets under development ageing as on March 31, 2026

A

Particulars	*Out standing for the followinng periods from the due date of payment*				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital-Work-in Progress (CWIP)	-	-	-	-	-
Intangible assets under development	-	-	-	-	-

B For Capital work in progress and Intangible assets under development, there is no transaction whose completion is overdue or has exceeded its cost compared to its original plan.

61 Details of Benami Property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2026 and March 31, 2025.

62 Borrowings from banks or financial institutions on the basis of security of current assets

(a) Quarterly returns and statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
(b) If not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed. - Not applieble

63 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2026 and March 31, 2025.

64 Relationship with Struck off Companies

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2026, March 31, 2025 are given below:

Name of the struck off company	Balance outstanding as at	
	March 31, 2026	March 31, 2025
Receivables (Loans outstanding)	-	-
Payables (Borrowings outstanding)	-	-
Payables (Trade Creditors)	-	-
Shares held by struck off company	-	-

	For the year ended	
	March 31, 2026	March 31, 2025
Value transactions conducted with the above Trade Creditor, being the company whose name has been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.	-	-

In the financial year ended March 31, 2026 and financial year ended March 31, 2025 the Company has not conducted any transaction with Struck off companies.

65 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2026.

66 Compliance with number of layers of companies

Not Applicable

67 Ratios

	As on March 31, 2026	As on March 31, 2025	Explanation for denominator	Explanation for numerator	Explanation for change in the ratio by more than 25% as compared to the preceding year.
(a) Current Ratio	1.52	1.31	Current Liabilities	Current Assets	
(b) Debt-Equity Ratio	2.96	4.41	Equity share capital + Other equity	Debt securities + Borrowings (Other than debt securities) + Subordinate Liabilities - Cash and cash equivalents	Capital Infusion
(c) Debt Service Coverage Ratio	NA	NA			
(d) Return on Equity Ratio	-36.24%	-34.87%	Average Equity	Profit After Tax	
(e) Inventory turnover ratio	NA	NA			
(f) Trade Receivables turnover ratio	NA	NA			
(g) Trade payables turnover ratio	NA	NA			
(h) Net capital turnover ratio	NA	NA			
(i) Net profit ratio	-38.39%	-23.36%	Total Income	Profit After Tax	Impact of Micro Finance industry headwinds.
(j) Return on Capital employed	NA	NA			
(k) Return on investment	NA	NA			

68 Compliance with approved Scheme(s) of Arrangements

During the Financial year, no scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

69 Utilisation of Borrowed funds and share premium

During the year ended 31st March 2026, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend 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;

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend 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; "

70 Disclosures as required under Master direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

70.1 Details of stressed loans transferred and investment made in Security Receipts to ARCs:

Particulars	For the year ended March 31, 2026	To Asset Reconstruction Companies (ARCs)	To permitted transferees	To other transferees (please specify)
(i)No of Accounts	498490	498490	-	-
(ii)Aggregate principal outstanding of loans transferred	117,006.42	117,006.42	-	-
iii)Weighted average residual tenure of the loans transferred (Months)	14	14	-	-
iv)Net book value of loans transferred (At the time of transfer)	44,447.60	44,447.60	-	-
v)Aggregate consideration	34,021.00	34,021.00	-	-
vi)Quantum of excess provisions reversed to the profit and loss account on account of sale of stressed	-	-	-	-
vii)Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-
viii)Investment in Security Reciepts (SR)	29,574.00	29,574.00	-	-

A. JOHN MORIS & CO. CHARTERED ACCOUNTANTS FRN 007220S

ASIRVAD MICRO FINANCE LIMITED

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2025	To Asset Reconstruction Companies (ARCs)	To permitted transferees	To other transferees (please specify)
(i)No of Accounts	88172	88172	-	-
(ii)Aggregate principal outstanding of loans transferred	20,003.57	20,003.57	-	-
iii)Weighted average residual tenure of the loans transferred (Months)	11.80	11.80	-	-
iv)Net book value of loans transferred (At the time of transfer)	10,761.84	10,761.84	-	-
v)Aggregate consideration	8,500.00	8,500.00	-	-
vi)Quantum of excess provisions reversed to the profit and loss account on account of sale of stressed	-	-	-	-
vii)Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-
viii)Investment in Security Receipts (SR)	7,390.00	7,390.00	-	-

70.2 Recovery Ratings assigned to Security Receipts

Trust Name	Latest rating received till March 31, 2026
Phoenix Trust-FY 23-25	RR5
EARC Trust SC 487	RR3
Paras-144 Trust	RR1
Paras Trust -152	RR1+
PARAS Trust 167	RR1+
PARAS-178 Trust	RR1+
Paras-188 Trust	Under Planning
PARAS 196 Trust	Under Planning

70.3 Exposure to Real Estate Sector

Particulars	As at March 31, 2026	As at March 31, 2025
Category		
Direct exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the	325.00	3,654.32
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-	4.76	5.11
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a.Residential		-
b.Commercial Real Estate		-
Total Exposure to Real Estate Sector	**329.75**	**3,659.43**

70.4 Exposure to capital market

The Company does not have any exposure to Capital market as at March 31, 2026 and March 31, 2025.

70.5 Sectoral Exposure

Sectors	Year ended March 31, 2026			Year ended March 31, 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector
1 Agriculture and Allied Activities						
i) Agriculture-Animal Husbandry	31,437.74	3,454.28	10.99%	49,670.16	4,914.69	9.89%
ii) Agriculture-Dairy	24,619.67	3,183.27	12.93%	38,747.59	5,029.58	12.98%
iii) Agriculture-Crops	349,453.25	35,327.42	10.11%	514,993.19	55,237.76	10.73%
iv)Agriculture - Others	5,301.31	739.22	13.94%	9,119.13	1,087.87	11.93%
Total (i+ii+iii+iv)	**410,811.97**	**42,704.19**	**10.40%**	**612,530.07**	**66,269.90**	**10.82%**
2 Industry						
i) Textile	8,468.85	1,355.56	16.01%	16,894.48	2,095.81	12.41%
ii) Others	6,666.09	1,455.59	21.84%	16,621.78	3,543.45	21.32%
Total (i+ii)	**15,134.94**	**2,811.16**	**18.57%**	**33,516.26**	**5,639.26**	**16.83%**
3 Services						
i) Trade	23,844.76	4,572.86	19.18%	42,676.14	6,559.42	15.37%
ii) Others	11,275.94	2,437.05	21.61%	22,535.56	3,744.05	16.61%
Total (i+ii)	**35,120.71**	**7,009.91**	**19.96%**	**65,211.71**	**10,303.48**	**15.80%**
4 Personal Loans						
i) Loan Against Gold Jewellery	213,876.92	1,194.78	0.56%	92,838.44	1,454.29	1.57%
ii) Product Loan	3,219.73	3,024.73	93.94%	11,962.33	5,203.41	43.50%
iii) Others	1,119.20	235.53	21.04%	2,820.61	384.24	13.62%
Total (i+ii+iii)	**218,215.84**	**4,455.05**	**2.04%**	**107,621.38**	**7,041.94**	**6.54%**

70.6 Intra Group Exposures

There is no Intra group exposures for the company

70.7 Unhedged foreign currency exposure

There is no unhedged foreign currency exposure for the company

70.8 Customer complaints

Particulars	As at March 31, 2026	As at March 31, 2025
Complaints received by the NBFC from its customers		
1. No. of complaints pending as at beginning of the year	1,168	86
2. No. of complaints received during the year	10,097	22,492
3. No. of complaints disposed during the year	10,945	21,410
Of which, number of complaints rejected by the NBFC	408	543
4. No. of complaints pending as at end of the year	320	1,168
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	47	89
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	43	85
conciliation/mediation/advisories issued by Office of Ombudsman	NIL	NIL
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against	4	4
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (previously the Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

ASIRVAD MICRO FINANCE LIMITED

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
For the year ended March 31, 2026					
Collection Related	838	5,369	-54.52%	254	-
Credit Information Related	222	3,029	-31.08%	38	-
OGL Related / Online Payment	-	693	NA	1	-
Loan Related	20	334	-83.40%	13	-
Insurance Related	64	309	-84.10%	2	-
Others (Staff Related-14 ,Auction-4,GL-2 , Product related -3,SMS -1)	24	363	-76.70%	12	-
Total	**1,168**	**10,097**		**320**	-
For the year ended March 31, 2025					
Insurance related	34	1944	-10.37%	64	26
Collection related	26	11806	79.50%	838	441
Loan Related	12	2012	289.92%	20	9
Service Related	1	777	NA	0	0
CIBIL related	12	4395	-1.06%	222	45
Others	1	1558	-38.54%	24	3
Total	**86**	**22492**		**1168**	**524**

70.9 Instances of breach of covenant of loan availed or debt securities issued

The Company has been regular in serving all its borrowings though there has been breach of some of the covenants, many of the borrowers across the microfinance industry were unable to service their loans on-time resulting in significantly elevated PAR, GNPA, NPA etc., The company was not immune to this industry trend and witnessed breach of some of the covenants due to elevated portfolio stress levels

Breach of Covenant	As at March 31, 2026	As at March 31, 2025
Number of Instances	18	53
Amount Involved (₹ In Lakhs)	52,755.46	3,19,343.34

70.10 Loans to directors, senior officers and relatives of directors

	As at March 31, 2026	As at March 31, 2025
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

70.11 Divergence in asset classification and provisioning -

No disclosure on divergence in asset classification and provisioning for NPAs is required for the FY 2025-26 and FY 2024-25 with respect to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dt November 28, 2025

71 Previous year figures

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

For A.JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

R.V.Sivakumar
Partner
ICAI Membership Number: 027434

Date: April 30, 2026
Place: Valapad

A. JOHN MORIS & CO. FRN 007220S CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

G D Manoj Pasangha
Chief Executive Officer

Rajesh KRN Namboodiripad
Chief Financial Officer

Date: April 30, 2026
Place: Valapad

ASIRVAD MICRO FINANCE LIMITED

Dr. Roy Varghese
Chief Executive Officer

Mithun B Shenoy
Company Secretary

ASIRVAD MICRO FINANCE LIMITED
Subsidiary of MANAPPURAM FINANCE LTD.
Small Loans... Big Dreams...









EMPOWERING PROGRESS. GROWING TOGETHER.







CONTENTS

01-27

CORPORATE OVERVIEW

01	Introduction to Theme
02	About Asirvad
04	Turning Points
06	From The Desk of The Chairman
08	Managing Director's Communique
10	Our Robust Growth in Numbers
12	Tech-Enabled Progress
16	Embedding ESG for Responsible Growth
18	Corporate Social Responsibility
20	Board of Directors
24	Corporate Information

28-105

STATUTORY REPORTS

26	Management Discussion and Analysis
32	Board's Report
52	Corporate Governance Report

106-195

FINANCIAL STATEMENTS

104	Independent Auditor's Report
114	Financial Statements

At a Glance

₹ 2,731.94 Crores
Total Revenue

40.46 Lakhs
Active Borrowers

19,068
Employees





To view this report online, please visit:
www.asirvadmicrofinance.co.in

EMPOWERING PROGRESS. GROWING TOGETHER.

As we enter our 18th year, our operations continue to grow at a steady pace, owing to our ability to meet borrower requirements. Despite global and domestic challenges, the Indian economy's resilience and favourable domestic conditions have provided a solid foundation for growth.

Asirvad commenced operations in 2008, with two branches in Tamil Nadu and has expanded into an MFI with a pan-India presence. As the most geographically diversified MFI in terms of districts present as of March 31, 2023, and second in terms of presence in states, we have focussed on mitigating the key risk of regional concentration in the microfinance business.

We empower progress by prioritising financial inclusion, transparency and ease of interaction. As a relatively young NBFC-MFI with a CRISIL 'AA-' rating, we have established 58 lending relationships, including borrowings from 33 banks – comprising 8 public sector banks, 9 foreign banks and 16 private banks, as well as 11 NBFCs and other financial institutions.

We are a digitally-enabled MFI with automated loan processing capabilities, covering everything from borrower onboarding to disbursement. This includes borrower credentials validation through real-time integrated application programming interfaces ('APIs'). We have also enabled real-time integration with credit bureaus to analyse borrower tradeline reports, enabling quicker decision-making in loan processing. Our digitised loan process with cashless disbursements aims to minimise fraud and theft while reducing turnaround time.

Our growth has been supported by our Promoter, Manappuram Finance Limited, a listed NBFC primarily engaged in offering loans against gold in India. As a subsidiary of Manappuram Finance Limited, we leverage the 'Manappuram' brand and its established credentials.

Our business focusses on financial inclusion, along with ease of doing business with us. To cater to our borrower base, which includes women from rural areas, we offer simple and standardised microfinance products that are easy for borrowers to understand. Our primary target borrower segment is women in households who are engaged in income-generating activities or planning to start new income-generating activities on their own. Accordingly, we schedule meetings at convenient times, often before the workday begins, to accommodate their needs.

We focus on lending through the joint liability group ('JLG') model. JLG loans are based on a peer-liability sharing model through mutual guarantees, allowing borrowers to avail loans without collateral or security on an individual basis. This model promotes credit discipline through mutual support and prudent financial conduct within the group. .

To mitigate financial risks arising from the death of income earners within the household, we offer credit shield insurance to our borrowers and co-borrowers. Our commitment to fostering borrower engagement and capability building is further demonstrated through our non-financial, community outreach initiatives, such as financial literacy programmes and women entrepreneurship programmes.



ABOUT ASIRVAD

Our Company was incorporated as 'Asirvad Micro Finance Private Limited' at Chennai, Tamil Nadu as a private limited company under the Companies Act, 1956. A certificate of incorporation was granted by the Assistant Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Island on August 29, 2007. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'Asirvad Micro Finance Limited'. The RBI granted a certificate of registration as an NBFC under Section 45-IA of the Reserve Bank of India Act, 1934. Our Company was granted NBFC-MFI status by RBI effective October 4, 2013.

Product Basket



Micro Finance Loan



MSME Loan



Gold Loan

Vision

To empower the members at the bottom of the pyramid by providing financial assistance.

Mission

To organise groups of committed poor women and provide innovative financial services in a sustainable manner to alleviate poverty through viable income generation activities.

Values

A - Acceptance

S - Support

I - Integrity

R - Resilience

V - Viable

A - Adaptable

D - Dependable

Credit Rating

CRISIL AA-/Stable and CARE AA-/Stable
Bank Loans (Long Term)

CRISIL PPMLD AA-/Stable
Principal Protected Market Linked Debentures

C1-Care Edge
COCA Report

CRISIL AA-/Stable and CARE AA-/Stable
Non Convertible Debentures (Long Term)

CRISIL A1+
Commercial Paper

CRISIL AA-/Stable
Subordinated Debt (Long Term)

CARE MFI 1
MFI Grading

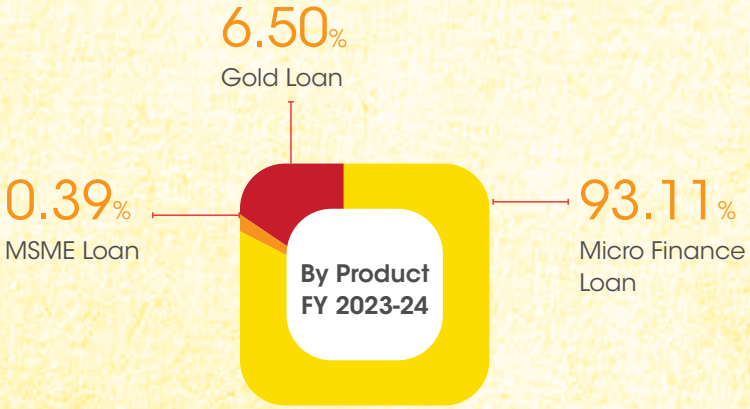
FY 2023-24 Highlights

₹11,880.54 Crores
AUM ↑ 18.32% from FY 2022-23

₹458.30 Crores
PAT ↑ 105.12% from FY 2022-23

Revenue Break-up

By Product



TURNING POINTS

Reflecting on key moments since our inception. Each milestone underscores our commitment to innovation and sustainable development, empowering underserved individuals to integrate into mainstream credit systems.

Major events and milestones in the history of our Company





2008
Incorporated as Asirvad Micro Finance Private Limited

2008
Company obtained certificate of registration as an NBFC from RBI

2014
RBI granted NBFC-MFI status with effect from October 4, 2013

2015
Company was acquired by Manappuram Finance Limited

2017
Converted to a public limited company and name changed to Asirvad Micro Finance Limited

2019
Crossed ₹ 30,000 Million in AUM



2022

Crossed 2.50 Million active borrowers

2020

Crossed 1,000 branches under operation

2020

Crossed 2.00 Million active borrowers

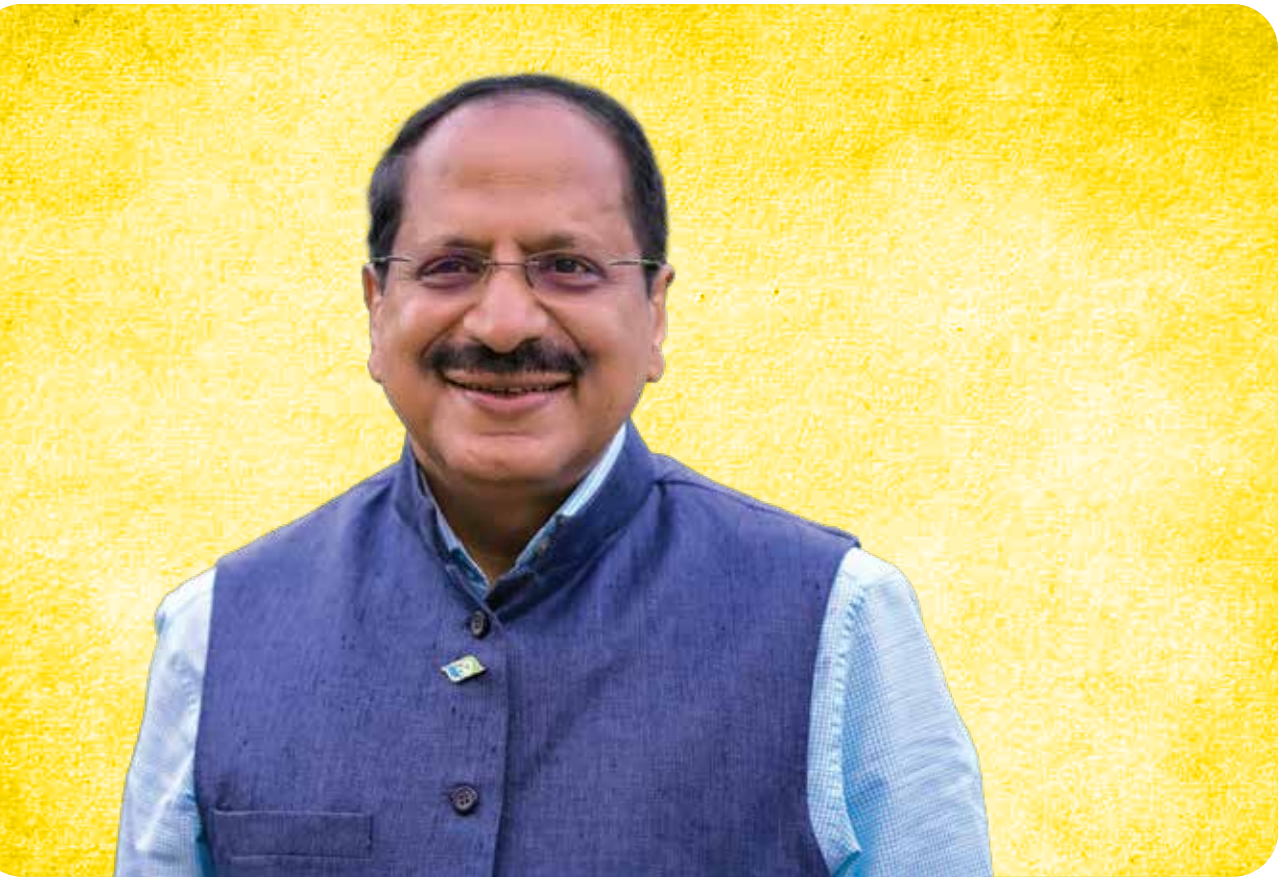
2020

Crossed ₹ 50,000 Million in AUM





FROM THE DESK OF THE CHAIRMAN



There are ample indications that the new political dispensation at the Centre will accord greater thrust to agriculture and rural segments. In this framework, micro finance assumes a critical role. The business model gives people at the bottom of the pyramid access to financial services provided by the formal sector and fosters financial inclusion.

Dear Shareholders,

It is with great pleasure that I present to you our 17th Annual Report for the year ended March 31, 2024.

The global economic landscape is continuing to witness turbulent times. Even as the Russia-Ukraine war rages on, a new conflagration between Hamas and Israel has erupted, with potentially destabilising effects on global trade and commerce. Dozens of countries had to re-route their trade, leading to spiralling logistics costs.

On another note, close to 50 countries will be going to polls in 2024 which will have ripple effects on trade and industrial relations between countries. The ominous signs of a trade war between arch-rivals China and US, reminding us of Trump era politics, are already emerging with sanctions being imposed on Chinese imports into the US. Economic conditions in the UK are deteriorating, forcing the Conservatives to order a snap poll in July. Europe has just emerged from the shadows of an election. Notwithstanding this uncertain global landscape, India ended FY 2023-24 on a strong footing. With election-related uncertainties having died down, we now look forward to continuation of the reform momentum unleashed in the previous decade. I have no doubt that the future holds tremendous promise for Asirvad, which will reap the benefits of sustained economic growth prospects of India. The IPO will further catalyse the growth trajectory of our micro finance business.

Economic Outlook

Though the latest IMF World Economic Outlook has pegged global growth forecast for CY2024 at 3.2%, the conflagration between Israel and Palestine, drawing into its fold the likes of Houthis and Hezbollah, lends a downward bias to this outlook. As far as the advanced economies are concerned, though the US has seemingly managed to avert a recession, UK is still not out of the woods while European Union with a disparate group of 27 nations, suffers from its own troubles. However, India's GDP grew at a healthy rate of 8.2% in FY 2023-24, buoyed by manufacturing and service sectors though agriculture growth was subdued due to a tepid monsoon. The Indian Meteorological Department has forecast above normal monsoon in 2024, and this is indeed comforting since the fortunes of micro finance industry are strongly correlated with monsoons.

The year gone by has also witnessed a slew of developments in the regulatory sphere with the banking regulator hiking risk weights on select sectors. However, bank lending to NBFCs has not witnessed much impact due to such measures.

Overview of Microfinance Sector

There are ample indications that the new political dispensation at the Centre will accord greater thrust to agriculture and rural segments. In this framework, micro finance assumes a critical role. The business model gives people at the bottom of the pyramid access to financial services provided by the formal sector and fosters financial inclusion. It is therefore heartening to learn that according to data from Micrometer released by MFIN, the Gross Loan Portfolio (GLP) of the micro finance industry grew by 15% in FY 2023-24 to touch ₹ 4.3 Lakh Crores, up from ₹ 3.5 Lakh Crores in the preceding year. The average ticket size for NBFC-MFIs also increased during the year.

NBFC-MFIs' Assets Under Management grew ~30% in fiscal 2024 Y-o-Y while growth in the last quarter of the fiscal was 10.5% sequentially. During FY 2023-24, NBFC-MFIs received a total of ₹ 89,308 Crores in debt funding, which is 29.1% higher than FY 2022-23. Banks contributed 69.7% of the total borrowing followed by non-bank entities at 14.8% and financial institutions at 7.9% while ECBs accounted for 4.1% while the rest constituted 3.5%. This funding profile indicates that MFIs have managed to diversify and de-risk their book. Companies have maintained healthy capital buffers, evident from healthy capital adequacy levels. Repayments are expected to be better going forward if monsoons live up to the predictions. Healthy capital buffers improved collections will ensure that disbursements will be ramped up in the coming fiscal as well. It is also pertinent to note that the interest rate trajectory is likely to look southwards, if CPI inflation reaches the target of 4% set by RBI.

Poised for Growth

The year gone by had seen stress in the rural segment as monsoons were disappointing. The distress was exacerbated by high rural inflation. However, fiscal 2024-25 could turn out to be different as the government has already given enough signs of concrete moves to lift up the agriculture sector which should augment rural demand and improve the fortunes of the micro finance industry. The Union Budget 2024-25 tentatively scheduled in July is expected to contain a slew of measures to revive the agriculture sector.

Performance of your Company

It is heartening that your Company was able to post a robust growth in profitability and AUM. The AUM of your company was ₹ 11,880.54 Crores with a net profit of ₹ 458 Crores in FY 2023-24. We now serve 4.05 Million customers, up from 3.34 Million recorded in the preceding year.

A Word of Gratitude

Finally, let me thank all our shareholders, our banking partners, the Reserve Bank of India and all other stakeholders for the support extended over the years. I take this opportunity to thank Mr. B.N. Raveendra Babu, Managing Director, and the entire team at Asirvad, for admirably steering the ship through choppy waters. I would also like to place on record my gratitude to Mr. S.V. Raja Vaidyanathan, the founder of the company and its Managing Director till June 30, 2021, for his many valuable contributions. Thanks to all their efforts, we are now well-positioned to consolidate our gains and grow further.

With best wishes,

V P Nandakumar
Chairman

MANAGING DIRECTOR'S COMMUNIQUE



Asirvad's operating income increased by 55.29%, to reach ₹ 2,732 Crores in FY 2023-24. This growth is attributed to our diligent efforts in expanding our outreach and strengthening our lending operations. Furthermore, our active customer base has expanded which demonstrates the continued trust and confidence of our borrowers in the company.

Dear Shareholders,

I am delighted to present to you the 17th annual report of the company. I feel privileged to have led Asirvad as its Managing Director during FY 2023-24. The company has successfully achieved new milestones and registered growth during the year.

The FY 2023-24 is a momentous year for the company as it enters its 18th year of operations. The last financial year marked a significant milestone for the company, as the company made a good progress on many fronts. During the year, it touched highest AUM, revenue and profit, representing the best performance since its inception.

During the financial year, we continue to record growth in AUM. AUM reached ₹ 11,880.54 Crores, which grew by 18.32% Y-o-Y. We disbursed MFI loans worth ₹ 9,322 Crores and the number of our active customers stood at 39 Lakhs. Asirvad's operating income increased by 55.29%, to reach ₹ 2,732 Crores in FY 2023-24. This growth is attributed to our diligent efforts in expanding our outreach and strengthening our lending operations. Furthermore, our active customer base has expanded which demonstrates the continued trust and confidence of our borrowers in the company.

The company continued its profitability journey, and our PAT doubled in the financial year to ₹ 458 Crores in FY 2023-24 from ₹ 223 Crores recorded in FY 2022-23. The significant growth in profits

suggests huge market opportunity available for long-term growth of the company. Healthy capital buffers and improvement in collections will ensure disbursements are ramped up in the coming fiscal as well. Our network criss-crosses the country.

Your Company was the first NBFC-MFI in the country to be awarded rating of AA- by CRISIL. We have consistently maintained this creditworthiness, a true reflection of our robust risk management practices and processes.

At Asirvad, we're firm believers that technology is the key to financial inclusion, and we're putting our money where our mouth is! We've invested heavily in building a powerful digital ecosystem, starting with a fully integrated core banking system. We have a core banking solution based loan management system integrated with core business functions of digital and offline collections, human resources and attendance, dedicated learning platform, borrower support, borrower grievance redressal, accounting, treasury, asset management and legal tracking. This puts us at the forefront of innovation, allowing us to:

Offer cashless disbursements: Say goodbye to cash! We disburse loans electronically, making the process faster and more secure.

Leverage cutting-edge cloud infrastructure: Our state-of-the-art cloud system ensures everything runs smoothly and securely.

Streamline customer onboarding: We use real-time integration with CIC for faster loan underwriting and automated KYC checks, making the process efficient for you.

Embrace a paperless future: From centralised ledgers to a digital learning platform, we've minimised paper usage, promoting a more sustainable and efficient environment.

The dedication and teamwork of our entire team are the bedrock of these achievements and advancements. It brings us immense satisfaction that your Company's success goes hand-in-hand with empowering rural entrepreneurs and fuelling the nation's economic engine. This, in turn, strengthens the overall economic fabric of the country, creating a virtuous cycle of growth and prosperity. Your Company recognises the critical role that Microfinance Institutions (MFIs) play in bridging this financial gap, and we are committed to continuing this important work, ensuring no community is left behind.

As we celebrate our achievements, I would be remiss not to acknowledge the incredible support that has paved the way for our success. First and foremost, I want to express my heartfelt appreciation to the regulators. Their guidance has been instrumental in steering us on the right course, ensuring not only our own prosperity but also empowering us to extend a helping hand to those who are less fortunate. I am also deeply grateful to our esteemed Board members and the parent company. Their invaluable support and direction have been a constant source of strength and strategic wisdom. Finally, a deep thank you goes out to our shareholders and customers. Their unwavering trust in our mission is what fuels our continued growth. It's this collective belief that allows us to push boundaries and make a positive impact on the communities we serve.

The journey of Asirvad has only begun. Together, we push the boundaries, prepare for what's to come, and break new ground to become the leaders of tomorrow.

With best wishes,

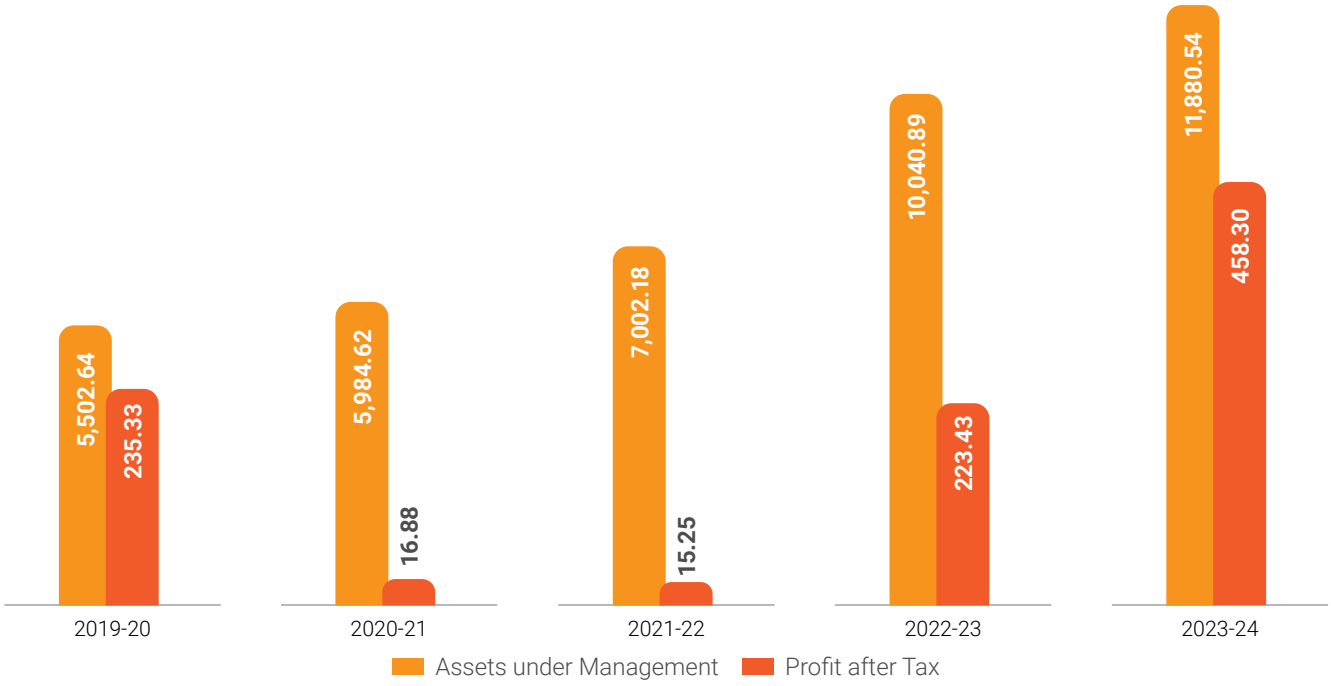
B.N. Raveendra Babu
Managing Director

OUR ROBUST GROWTH IN NUMBERS

Financial Indicators

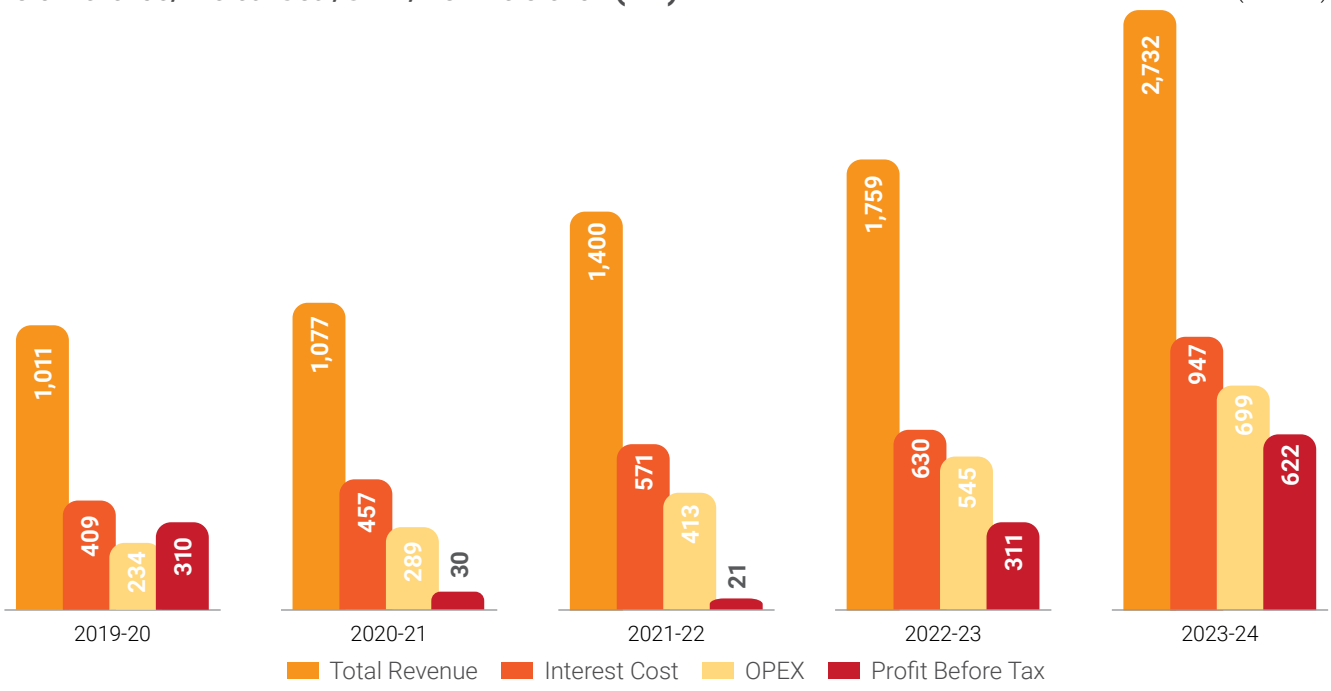
Assets Under Management & Profit After Tax

(₹ Crores)

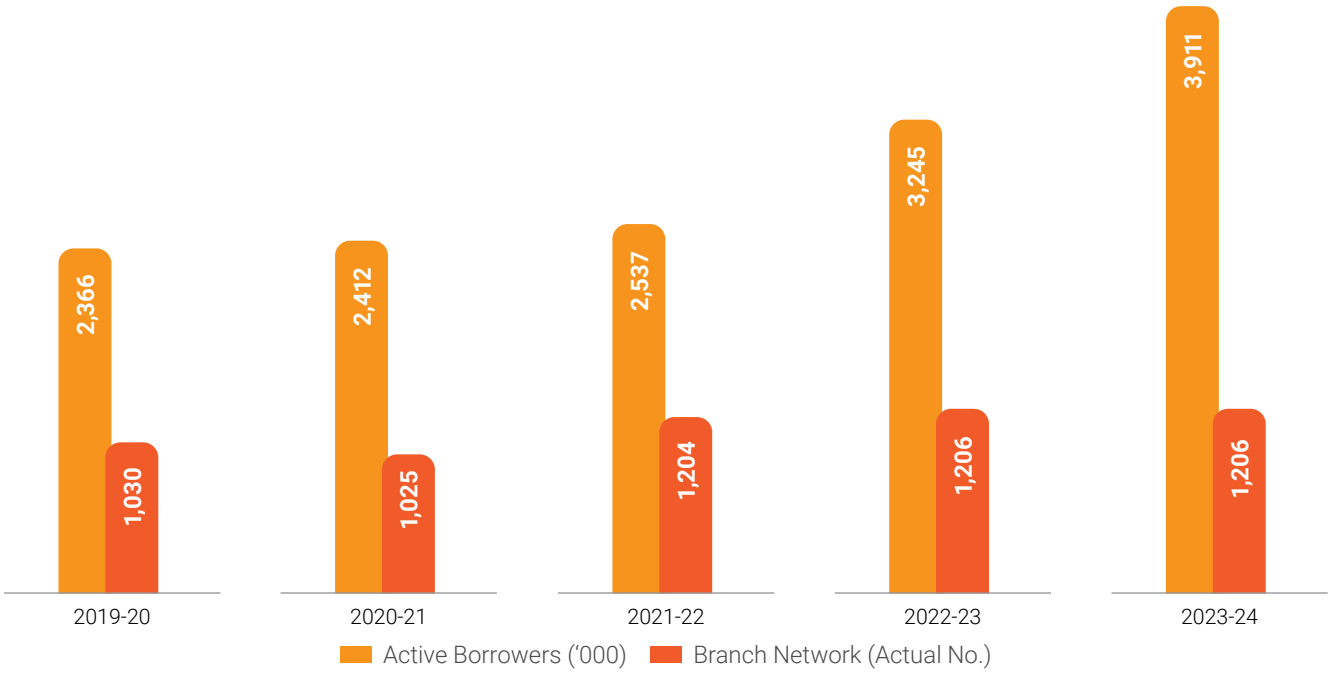


Total Revenue, Interest Cost, OPEX, Profit Before Tax (PBT)

(₹ Crores)

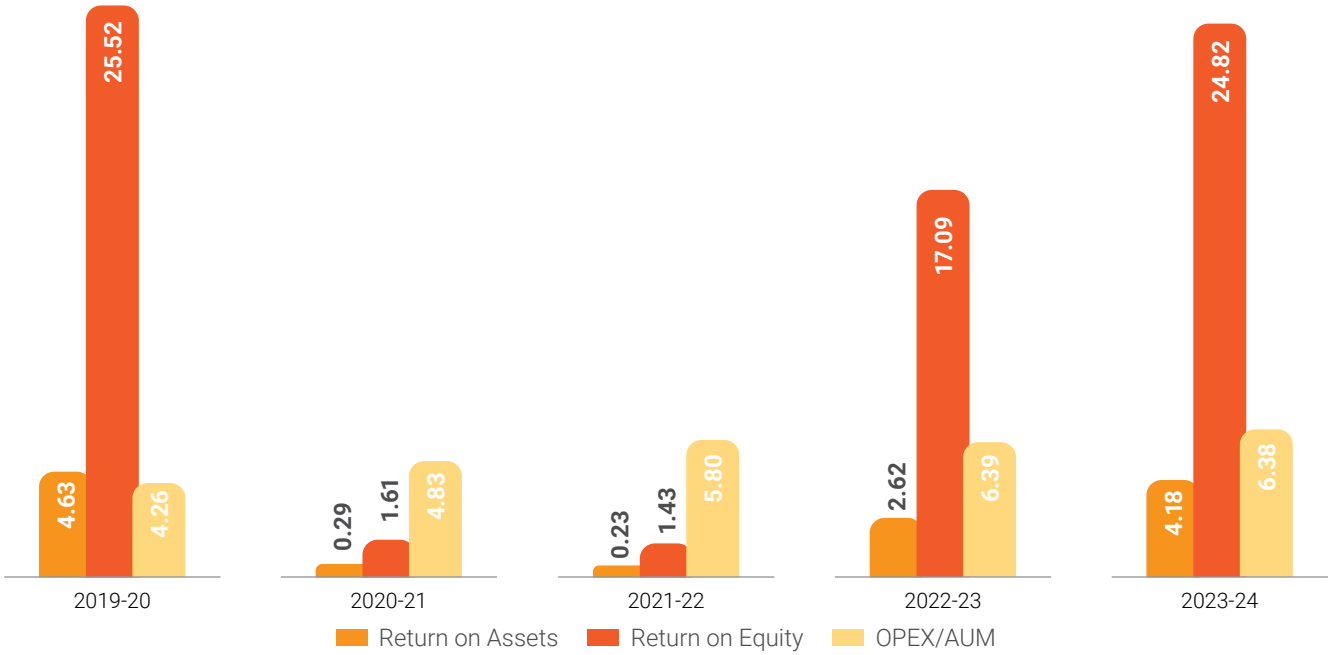


Operational Metrics (MFI)



Financial Ratios

(%)



TECH-ENABLED PROGRESS

Recognising the microfinance business challenges of managing an expansive borrower base primarily based in rural areas, we have focussed on strengthening our infrastructure through digital means.

We have made significant investments in technology to strengthen our borrower onboarding mechanisms and business processes. Adopting technology has enabled us to streamline the entire loan lifecycle management, from borrower acquisition to appraisal, sanction, disbursement, monitoring, and recovery.

Advanced, Integrated and Scalable Technology-enabled Infrastructure

1

LOS & LMS

- Digital on-boarding and credit assessment
- 100% cashless disbursement based on an online approval
- Offline collections enabled by tech with real-time updates to customers

2

Portfolio Analytics

- Robust portfolio analytics platform to enable data-driven decision-making
- Real-time reports to monitor disbursement and collection productivity

3

Cash Management System

- Integrated to payments bank cash collection system to collect cash from BM and automatic transfer to bank
- Automated payments to vendors, customers and employees

4

Core HR & Accounts

- Employee self-service portal
- Automated payroll processing and core HR functions like employee lifecycle management
- Workforce management tool with insights to track activity of field officers

5

Legal Process Automation

- Legal process module for easy handling of legal cases
- Automation of legal case tracking from entry to its closure

6

Cyber Security

- MDM (Mobile Device Management) for strengthening end point security of tablets
- Next-gen antivirus solution
- Implemented ATP/DLP in email solution

Tech platform integrated with 20+ APIs of credit bureau, payment banks, collection systems, payment gateways, KYC, account validation partners etc.



Our core banking-based Loan Management System (LMS) integrates with key business functions including digital and offline collections, Human Resources and attendance, a dedicated learning platform, borrower support, borrower grievance redressal, accounting, treasury, asset management and legal tracking. The LMS also connects seamlessly with digital service providers for borrower credential validation, verification of creditworthiness, bank account verification, workflow management, paperless approvals and digital meetings, among others.

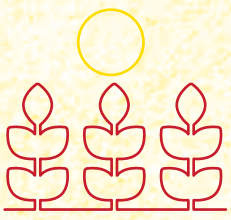
We capture extensive data points through a microservices-driven, agile API stack, enabling independent validation from sources, borrower trade line reports, front-end team observations and management feedback. Our integrated loan management and origination systems ensure seamless transaction processing and standardised processes across branches, all flowing into a cloud-based central repository. By operating a digitised loan process with cashless disbursements, we aim to minimise fraud and theft while reducing turnaround time.

Additionally, our Financial Accounting package and Human Resource Management System (HRMS) are largely integrated with the LMS, which utilises over 20 APIs of SMS providers, credit bureaus, payment bank collection systems, banks' payment systems, KYC validation partners, bank account validation partners, payment gateways and the Bharat Bill Payment System for collections.

Key Features of Our Tech Stack

- Digital Onboarding and Credit Assessment
- Digital Disbursement
- Digital Cross selling Options
- Offline/Digital Collection options
- Digitised Insurance Claim process
- MIS and Portfolio Analytics platform
- Digital Cash Payment system
- AI-based auto triggered interactive borrower calling system
- Aadhaar-based eKYC and eSign systems
- ENACH System to automate MSME collections
- Automated and Digital Board meeting
- Comprehensive insider compliance portal automating all compliance processes
- Legal process automation system





ISO 2001:2013 certification from BSI for the operationalisation of information security control

IS and Cyber Security Initiatives

- Operationalised ISO 27001: 2013 framework, certified by BSI
- Strengthened end point security on tablets provided to FDAs and other field employees
- Deployed antivirus solutions with inbuilt XDR features for end points
- Conducting annual comprehensive IT audits
- Performed annual disaster recovery drills to ensure business continuity
- Implemented advanced threat/data loss prevention in email solutions
- Documented business continuity plan for all critical departments concerning people, place, technology and vital records

Way Forward

As we expand, we anticipate the need to strengthen our digital presence to enable cashless and paper-free transactions across geographies.

- Ongoing investment in technology to increase our digital capabilities for improving onboarding, underwriting, business analytics, borrower experience, borrower retention, governance, risk management, improving data security infrastructure, cyber security components and building our tolerance to cybersecurity risks
- We intend to refine business analytics to further streamline our borrower classification for more accurate underwriting
- Focus on maximising retention of our borrowers with a good track record through accurate, comprehensive and fast data collection and analytics through integration with credit bureaus and other agencies that serve as repositories of borrower data
- Mitigation of default risks through automation to screen borrowers with early stage payment irregularities, in order to take corrective measures pre-emptively and reduce risk of delinquencies
- Enhancing borrower experience by reducing turnaround time for onboarding and disbursement, providing flexibility through payment options, real-time information on outstanding credit and payment positions and promptly addressing borrower grievances
- By advancing our digital and technology platforms, we aim to reduce operating costs and boost efficiencies. By enhanced data collection through IT, we aim for more accurate assessments and outcome analysis.

EMBEDDING ESG FOR RESPONSIBLE GROWTH

At Asirvad, we have integrated ESG across our financing, investing and trading activities to foster a holistic ecosystem that supports economic growth, environmental stewardship and social equity, ensuring a more sustainable and inclusive future.

Commitment to responsible financing is a key priority for Asirvad. The company, through its customer-centric business model and diverse products supporting entire life cycle needs of the customer, has been creating large scale positive social impact across the communities, including customers, employees and other stakeholders. Sustainability is integral to achieving our strategy and fulfilling vision of creating value for our stakeholders.

Asirvad actively encourages sustainable practices within the organisation which enables to improve business performance, brand success and overall reputation. The Company's business strategy and policies are pillared on customer and employee centricity allowing sustainable growth and empowering communities over long term.

Your Company has devised an ESG framework that is based on our Company's vision to build an enduring institution that serves the long-term needs of our customers with great sensitivity. Environmental factors refer to the impact of the company's operations on the environment, such as its carbon footprint and efforts to reduce it. Social factors refer to the company's impact on society, such as its labour practices, diversity, and community involvement. Governance factors refer to the company's corporate governance policies, such as executive compensation, shareholder rights, and board structure.

The framework act as a guidance to incorporate environmental, social and governance (ESG) considerations into operations and business, mitigate material risk impacts and serve as a guiding document for the ESG initiatives undertaken by your Company. We are proud of the progress made in integrating ESG principles into our business operations. Our achievements in environmental sustainability, employee empowerment, customer satisfaction and community development reflect our commitment to responsible business practices.

As we move forward, we remain dedicated to continuous improvement, setting higher targets, and further enhancing our positive impact on the environment, society, and governance aspects.

Environment

Asirvad understands the importance of environmental sustainability and compliance with regulations. We have implemented energy-efficient lighting and air-conditioning systems, raising awareness among employees about energy conservation. Embracing technology has helped us reduce paper usage and emissions from travel, while improving operational efficiency.

The framework is devised in a way that every loan request is reviewed and assessed for its associated Environment risks. The risk assessment aids the Company to ensure that the facility that is funded doesn't have any environmental, social or corporate governance liability that can affect both the borrower and the organisation. The Company will ensure that all the loans are properly evaluated against the Exclusion



List set out in the ESG framework. Periodic loan utilisation checks will be conducted to ensure adherence to the ESG policy. Any incidences of non-compliance will be discussed with customers, and they will be encouraged to comply with the required environmental laws, regulation, standards, and procedures.



The framework comprises a multi-stage process that oversees the entire risk assessment and management process. Each loan while processing shall be designated as high, medium and low risk representing different risk levels typically based on the impact of borrower's business activities on environment.

Human Rights

Your Company is committed to uphold employee rights and treat all employees with respect and dignity to promote a healthy and conducive work environment for the employees. The Company's human rights policy will ensure equity, diversity, and inclusion within the organisation, non-discrimination, prevention of human rights violations across entire value chain, and adequate training/awareness on human rights.

Asirvad recognises that a harassment-free workplace is integral to helping the workforce bring their whole selves to work. Asirvad is committed to respecting rights of all our employees and strive to provide them with a work environment that's free from any physical, verbal or psychological harm. Our policies and systems have been designed to prevent such instances and address them in case they do arise. The policies and systems ensure that employment decisions are based on merit and business needs and that equal opportunities to grow and benefits/ compensations are provided to each resource.

Social

Your Company has been making consistent efforts over the years towards economic and social upliftment of the marginalised and vulnerable sections of society. It continually seeks ways to bring about an overall positive impact on the society and environment wherein it operates. Asirvad implements its CSR initiatives primarily through Manappuram Foundation.

Through our talent management strategy and the MADU online learning platform, we provide extensive learning and development opportunities, fostering continuous growth and professional development. We prioritise upskilling and reskilling our workforce by offering training and resources to enhance their skills and expertise.

Your company ensures that working conditions in the organisation meet (or exceed) the international labour standards. Asirvad also acknowledges that safety and health of workers has a positive impact on productivity and economic & social development. Asirvad aims to be one of the best workplaces for employees.

Governance

A Good Corporate Governance practice is a key factor of sustainable corporate growth and maintains a long-term relationship with the stakeholders of the Company. Your Company is committed to the highest level of Corporate Governance practices and emphasise the need for full transparency and accountability in all transactions, to protect the interests of its stakeholders. This enables the Company to attract high quality financial and human capital and ensures that all the stakeholders including the shareholders, customers, employees, creditors, and regulators are aligned with the organisation's objectives.

We, at Asirvad, believe that the cornerstone of best governance practices is the Board composition. We also believe that the synergy of versatile individuals with diversified skillsets at the Board-level has contributed a lot in bringing this Company into its present heights. The ethical practices, strict internal controls and well-organised management which is guided by a strong professionally balanced Board of Directors is necessary to ensure the highest standards of Corporate Governance; we have an appropriate mix of executive/non-executive and independent directors in our Board. The Board of Directors represent the shareholder's interest in perpetuating a successful business and optimising long-term financial returns in a manner consistent with applicable regulatory and legal requirements and ethical considerations.

Your Company prioritises integrity, accountability and oversight, fostering a culture of compliance. The strong internal control mechanisms, overseen by an experienced and diversified Board with a majority of independent directors, promotes transparency and accountability. Risk management is a key focus, and Asirvad proactively identify, assess and mitigate risks to safeguard our interests. Customer protection is integral to our practices, and your Company ensures fair and transparent dealings to enhance customer satisfaction and trust.

CORPORATE SOCIAL RESPONSIBILITY

The goal of our Corporate Social Responsibility is to enhance society by improving the well-being of individuals, their families and the broader community.

The Company through its CSR activities strive to make meaningful interventions in the society to bring about a positive change, by being instrumental in imparting quality education to its children, generate livelihoods for its people, providing medical help for the sick, empower women for their betterment and thus foster a harmonious community.

As part of the CSR, the Company is presently engaged in several projects which are socially relevant and demanding in the locality surrounding its corporate office area and other locations where the Company has branches or other place of business.

Sayujyam Project

Sayujyam Project is a rural development project in which houses are being constructed for the most deserving backward families.



Manappuram Civil Service Academy

Asirvad Micro Finance Limited contributes to the development of Manappuram Civil Service Academy.







Support to physically challenged people and socially-deprived women

Asirvad Micro Finance Limited contributed support to physically challenged people and socially-deprived women.





Promotion of quality education by providing school kit to underprivileged students

Asirvad Micro Finance Limited contributes in promoting of quality education by providing school kit to underprivileged students.





Promotion of healthcare by distributing wheelchair to physically challenged people

Asirvad Micro Finance Limited contributed to promote healthcare by distributing wheelchair to physically challenged people.



BOARD OF DIRECTORS



Mr. V. P. Nandakumar
Chairman

Vazhappully Padmanabhan Nandakumar is the Chairman and a Non-Executive and Non-Independent Director of our Company. He holds a Bachelor's and Master's degree in Science from the University of Calicut, India. He is currently the Managing Director and Chief Executive Officer of our Promoter, Manappuram Finance Limited. He is on the board of governors of IIM Kozhikode and has previously served on the boards of several companies including Lions Co-ordination Committee of India Association, Aptus Value Housing Finance India Limited, Equitas Holdings Limited, and Five Star Business Finance Limited.



Mr. B. N. Raveendra Babu
Managing Director

Blangat Narayanan Raveendra Babu is the Managing Director of our Company. He holds a Master's degree in Commerce from the University of Calicut, India. He has completed the Executive Development Programme on equity and commodity derivatives by Dun and Bradstreet and the ISMS lead auditor training course. He has previously worked with Blue Marine International, UAE and our Promoter, Manappuram Finance Limited. He has served on the board of directors of several companies including Manappuram Construction and Consultants Limited, Manappuram Jewellers Limited, Manappuram Chits (India) Limited and Manappuram Insurance Brokers Limited.



Mr. Abhijit Sen
Non-Executive,
Independent Director

Abhijit Sen is an Independent Director of our Company. He holds a Bachelor's degree in Technology with first class honours in Electronics and Electrical Communication Engineering from the Indian Institute of Technology, Kharagpur, India and a Post Graduate Diploma in Management from the Indian Institute of Management, Calcutta, India. He has previously worked with Citibank N.A., India as the Managing Director – Chief Financial Officer and has served on the board of directors of several companies including Citicorp Finance (India) Limited, Citicorp Services India Private Limited, IDFC First Bank Limited, IndiaFirst Life Insurance Company Limited, WIPRO Technology Services Limited.



Ms. Anita Belani
Non-Executive,
Independent Director

Anita Belani is an Independent Director of our Company. She holds a Diploma (honours) in Personnel Management and Industrial Relations from Xavier Labour Relations Institute, Jamshedpur, India. She has previously served as the Chief People Officer at Gaja Advisors Private Limited. Additionally, she has served on the board of directors of several companies including Bandhan AMC Limited, SV Edusports Private Limited, BMR Business Solutions Private Limited, and Manpower Group Services India Private Limited.



Mr. D R Dogra
Non-Executive,
Independent Director

Desh Raj Dogra is an Independent Director of our Company. He holds a Bachelor's degree in Science from Himachal Pradesh University, India, a Master's degree in Business Administration from the University of Delhi, India and a Post Graduate Diploma in Marketing and Sales Management from the Board of Technical Education, Delhi, India. He is a certified associate of the Indian Institute of Bankers. He has previously worked as the Managing Director and Chief Executive Officer of Credit Analysis and Research Limited and has served on the board of directors of several companies including Axiscades Aerospace & Technologies Private Limited, L&T Financial Consultants Limited, ITI Mutual Fund Trustee Private Limited, and Metropolitan Stock Exchange of India Limited.



Mr. Gautam Saigal
Non-Executive,
Non-Independent Director

Gautam Rathindranath Saigal is a Non-Executive and Non-Independent Director of our Company. He is a qualified chartered accountant. He is the Managing Partner of Pachira Financial Services LLP. He has previously served as the Managing Director of AA Indian Development Capital Advisors Private Limited, Associate Director of India Liaison Office of American International Group, Inc and Vice President of 'Merchant Banking' division of S.S. Kantilal Ishwarlal Securities Private Limited. He was also worked with Stewart and Mackertich Investment and Financial Services Limited and Lovelock & Lewes. He is on the board of directors of several companies including Manappuram Home Finance Limited and ZIM Health Technologies Limited. Previously, he served on the board of directors of several companies including our Promoter, Manappuram Finance Limited, ZIM Laboratories Limited, Seed Infotech Limited, Barflex Polyfilms Private Limited and Numero Uno Clothing Limited.



Mr. Harshan Kollara

Non-Executive,
Independent Director

Harshan Kollara Sankarakutty is an Independent Director of our Company. He holds a Bachelor's degree in Arts from University of Calicut, India and a Master of Arts degree in economics from the University of Bombay, India. He has previously served on the board of directors of several companies including Federal Bank Limited, Fedbank Financial Services Limited, Experian Credit Information Company of India Private Limited and Avanti Home Solutions Private Limited.



Ms. Pushya Sitaraman

Non-Executive,
Independent Director

Pushya Sitaraman is an Independent Director of our Company. She holds a Bachelor's degree in Law from Madras Law College, India. She is a senior advocate at the Madras High Court. She is on the board of directors of several companies including Shiksha Financial Services India Private Limited, Southern Veneers and Woodworks Limited, Mayabandar Doors Limited and The Western India Plywoods Limited.



Mr. S V Raja Vaidyanathan

Non-Executive,
Non-Independent Director

Raja Vaidyanathan Venkataraman Sattanathapuram is a Non-Executive and Non-Independent Director of our Company. He holds a Bachelor's degree in Technology from the Indian Institute of Technology, Madras, India and a Post Graduate Diploma in Management from the Indian Institute of Technology, Calcutta, India. He is an associate of the Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India. He has previously served on the board of directors of several companies including Gradatim I.T. Ventures (India) Private Limited, Voicegear Network Technologies Private Limited, Pronto Franchising Private Limited, Growth Street Venture Partners LLP, and Microplex Private Limited.



Mr. S. K. Mitra

Non-Executive,
Independent Director

Subrata Kumar Atindra Mitra is an Independent Director of our Company. He holds a Master's degree in Science from the University of Calcutta, India and a Master's degree in Management Science from Texas Christian University, USA. He has previously worked with the 'Merchant Banking' division of Standard Chartered Bank, India and as a Non-Executive Member of the Credit Committee of the FirstRand Bank, India. He was previously associated with the Financial Services business at the Aditya Birla Group and Bank of India. He has served as the Director-in-Charge of the Vocational Service avenue of service of the Rotary Club of Bombay. He has also served on the board of directors of several companies including GIC Asset Management Company Limited, the Indo American Chamber of Commerce, Aditya Birla Nuvo Limited, Spykar Lifestyles Private Limited, Aditya Birla Sun Life AMC Limited, LIC Mutual Fund Asset Management Limited, QSK Advisory Private Limited.



Mr. T Balakrishnan

Non-Executive,
Independent Director

Thotanchath Balakrishnan is an Independent Director of our Company. He holds a Bachelor's degree in Arts from the University of Delhi, India. He is a former member of the Indian Administrative Service. He has also worked as the Managing Director of INKEL Limited and as the Chairman and Managing Director of Kerala High Speed Rail Corporation Limited. He has previously served on the board of directors of several companies including INKEL-EKK Roads Private Limited, Cheraman Infrastructure Private Limited, Kerala State Mineral Development Corporation Limited, and Travancore Titanium Products Ltd.

CORPORATE INFORMATION

Company
Asirvad Micro Finance Limited

Corporate Identification Number
U65923TN2007PLC064550

Registered Office
9th Floor, No. 9, Club House Road, Anna Salai, Chennai, 600002, Tamil Nadu

Managing Director
Mr. B N Raveendra Babu

Chief Financial Officer
Mr. Rajesh KRN Namboodiripad

Company Secretary & Compliance Officer
Ms. Aparna Menon

Email ID : sec@asirvad.in

Landline No: 0487 3050543

Statutory Auditors
M P Chitale & Co.,
Chartered Accountants
759/70, Vatsala Bhawan,
Prabhat Road, Lane No.1, Pune,
Maharashtra - 411004

Secretarial Auditors
KSR & Co., Company Secretaries LLP
#7C, Mayflower Signature,
Door No. 365/13, Avinashi Road,
Peelamedu, Coimbatore – 641 004

Registrars & Transfer Agents
Link Intime India Private Limited
"Surya" 35, Mayflower Avenue,
Behind Senthil Nagar,
Sowripalayam Road, Coimbatore – 641028, Tamil Nadu, India
Tel: 0422 2539835 / 836, 4958995
E-mail: coimbatore@linkintime.co.in
Investor grievance e-mail: coimbatore@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Jayakumar K
SEBI registration no: INR000004058

Debenture Trustees
Catalyst Trusteeship Limited
(Erstwhile GDA Trusteeship Limited)
Unit No. 901, 9th Floor,
Tower-B, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel (W),
Mumbai, Maharashtra - 400013
Phone: +91 22 4922 0555
Email: dt.mumbai@ctltrustee.com
Website: https://catalysttrustee.com/

IDBI Trusteeship Services Limited
Universal Insurance Building,
Ground Floor, Sir P.M. Road, Fort
Mumbai, Maharashtra – 400 001
Phone: 022 40807000,
+91 8097474599
Email: itsl@idbitrustee.com
Website: https://idbitrustee.com

Vardhman Trusteeship Private Limited
The Capital, A Wing, 412A,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Phone: +91 22 4264 8335,
+91 22 4014 0832
Email: corporate@vardhmantrustee.com
Website: https://vardhmantrustee.com/

List of Lenders
Lender List
FII
Blue Orchard
CDC Group
World Business Capital

Foreign Banks
DBS Bank
HSBC Bank
SBM Bank
SMBC Bank
Standard Chartered Bank
WOORI BANK

NBFC
Aditya Birla Finance Ltd
Bajaj Finance Ltd
Equirus Securities Private Limited
Hinduja Leyland Finance
Manappuram Finance Limited
Mahindra & Mahindra
MAS Financials
Nabkisan Finance Ltd
Northern Arc Capital Limited
TATA Capital

Private Bank
Axis Bank
Bandhan Bank
Catholic Syrian Bank
Citi Bank
City Union Bank
DCB Bank
Equitas Small Finance Bank
Federal Bank
HDFC Bank
ICICI Bank
IDBI Bank
IDFC First Bank
Jana Small Finance Bank
Karnataka Bank
Kotak Mahindra Bank
RBL Bank Ltd
South Indian Bank
Suryoday Small Finance Bank
YES Bank Ltd.

PSU Bank
State Bank of India
Bank of Baroda
Bank of India
Bank of Maharashtra
Indian Bank
Indian Overseas Bank
Punjab & Sind Bank
Punjab National Bank
UCO Bank

Financial Institutions
Small Industries Development Bank of India (SIDBI)

MUDRA (Micro Units Development & Refinance Agency Ltd)

NABARD (National Bank for Agriculture and Rural Development)

Board and its Committees

Board of Directors

Mr. V P Nandakumar
Chairman

Mr. B N Raveendra Babu
Managing Director

Mr. Abhijit Sen
Non-Executive, Independent Director

Ms. Anita Belani
Non-Executive, Independent Director

Mr. D R Dogra
Non-Executive, Independent Director

Mr. Gautam Saigal
Non-Executive, Non-Independent Director

Mr. Harshan Kollara
Non-Executive, Independent Director

Ms. Pushya Sitaraman
Non-Executive, Independent Director

Mr. S K Mitra
Non-Executive, Independent Director

Mr. S V Raja Vaidyanathan
Non-Executive, Non-Independent Director

Mr. T Balakrishnan
Non-Executive, Independent Director

Audit Committee

Mr. D R Dogra
Chairman

Mr. Abhijit Sen
Member

Mr. Gautam Saigal
Member

Mr. Harshan Kollara
Member

Mr. S V Raja Vaidyanathan
Member

Mr. T Balakrishnan
Member

Nomination and Remuneration Committee

Mr. T Balakrishnan
Chairman

Ms. Anita Belani
Member

Mr. Gautam Saigal
Member

Mr. Harshan Kollara
Member

Ms. Pushya Sitaraman
Member

Risk Management Committee

Mr. Gautam Saigal
Chairman

Mr. Abhijit Sen
Member

Ms. Anita Belani
Member

Mr. B N Raveendra Babu
Member

Mr. D R Dogra
Member

Mr. S V Raja Vaidyanathan
Member

Chief Risk Officer
Member

Corporate Social Responsibility Committee

Ms. Pushya Sitaraman
Chairperson

Mr. B N Raveendra Babu
Member

Mr. D R Dogra
Member

Mr. T Balakrishnan
Member

Stakeholders Relationship and Customer Service Committee

Mr. Harshan Kollara
Chairman

Mr. B N Raveendra Babu
Member

Ms. Pushya Sitaraman
Member

Mr. S K Mitra
Member

Management Committee

Mr. V P Nandakumar
Chairman

Mr. Abhijit Sen
Member

Mr. B N Raveendra Babu
Member

Mr. D R Dogra
Member

Mr. Gautam Saigal
Member

Mr. Harshan Kollara
Member

Mr. S V Raja Vaidyanathan
Member

Borrowing and Securities Allotment Committee

Mr. B N Raveendra Babu
Chairman

Mr. S V Raja Vaidyanathan
Member

Mr. T Balakrishnan
Member

Mr. V P Nandakumar
Member

IT Strategy Committee

Mr. S K Mitra
Chairman

Mr. Abhijit Sen
Member

Mr. B N Raveendra Babu
Chief Information Officer

Mr. S V Raja Vaidyanathan
Member

Chief Technology Officer
Member

IPO Committee

Mr. V P Nandakumar
Chairman

Mr. B N Raveendra Babu
Member

Mr. D R Dogra
Member

Mr. Gautam Saigal
Member

Management Discussion and Analysis

Highlights of Indian Economy

The Indian economy was among the fastest-growing in the world prior to onset of the Covid-19 pandemic. In the years leading up to the global health crisis, the country's economic indicators posted gradual improvements. The twin deficits, namely current account and fiscal deficits, narrowed, while the growth-inflation mix showed a positive and sustainable trend. Despite the ongoing Russia-Ukraine war, India continues to maintain its position as one of the fastest-growing economies globally. This can be attributed to various factors such as demographic advantage, robust domestic demand, economic reforms, manufacturing and infrastructure development, technological advancements and digital push.

In fact, the IMF, in its July 2023 economic outlook update, revised its India economic growth forecast in real terms for Fiscal 2024 to 6.1% from previous 5.9% estimate in April 2023, citing momentum from stronger-than-expected growth in the fourth quarter of Fiscal 2023 as a result of stronger domestic investment.

In contrast, global economic growth is projected to decelerate from an estimated 3.5% in 2022 to 3.0% in 2023, with the growth rate sustaining in 2024, according to the IMF. While the forecast for 2023 is slightly higher by 0.2% than the earlier estimate, it remains weaker than the historical average. In addition, world trade growth is expected to slow to 2.0% in 2023 from 5.2% in 2022, before rising to 3.7% in 2024, which is still well below the 2000 to 2019 average growth of 4.9%.

A large part of the lower growth stems from risk that the global economy could fragment into blocs amid the Russia-Ukraine war and other intensifying geopolitical issues, which could increase restrictions on trade, cross-border movement of capital, technology, workers and international payments. India's nominal GDP growth has exhibited a remarkable trend of consistently surpassing that of numerous other countries, highlighting its strong economic momentum.

India's per capita GDP recorded a 5.46% CAGR over Fiscal 2015 to Fiscal 2020 on real basis, rising from approximately ₹ 83,000 to approximately ₹ 1,08,000. A pandemic-induced nationwide lockdown in the early part of Fiscal 2021 led to a decline in income and widespread temporary loss of jobs, pushing per capita GDP lower by 6.8% year-on-year, to approximately ₹ 1,01,000 in Fiscal 2021, back to Fiscal 2018 levels.

On this low pandemic-impacted base, per capita GDP recorded an approximately 8% growth in Fiscal 2022, rising to ₹ 1,09,000, thus crossing the pre-Covid-19 level of Fiscal 2020. In Fiscal 2023, per capita GDP rose to an all-time high of ₹ 1,15,746 as the economy registered consecutive years of robust growth.

As per the report published (in July 2020) by the National Population Commission, Ministry of Health and Family Welfare, India's population in 2011 was 121 Crores, comprising approximately 246 million households. The decadal growth rate during 2001-2011 stood at 17%. This is estimated to have decreased to 12% during 2011-2021 and is likely to decline further to 9% during 2021-2031. However, with the country's population in 2030 estimated at 1,470 million, India will continue to be a major opportunity market from a demand perspective.

India has one of the world's largest youth populations, with a median age of 28 years. About 90% of Indians are below 60 years of age. It is estimated that 64% of this population is aged between 15 and 59 years. It is expected that the large share of working population, coupled with rapid urbanisation and rising affluence, will propel growth in the economy.

Urbanisation is a key growth driver for India, supporting faster infrastructure development, job creation, development of modern consumer services and the city's ability to mobilise savings. The share of urban population in total population has been rising consistently and is expected to reach 35% by 2023 from 31% in 2011, spurring demand. Urban consumption in India has shown signs of improvement and given the country's favourable demographics, coupled with rising disposable incomes, the trend is likely to continue and help domestic economic growth.

According to the World Bank, the savings rate or the proportion of GDS in India's GDP has shown a downward trend in the past decade. India's GDS peaked at 34.4% of the GDP in Fiscal 2007 and dipped to 32.8% in Fiscal 2008. This was largely on account of a sharp slowdown in public savings, with the government resorting to fiscal stimulus to address the external shock from the global financial crisis. However, India's domestic savings is still higher at 28.96% at the end of 2022, compared with the world average of 28.2% at the end of 2021.

INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK

Between Fiscal 2016 and Fiscal 2018, NBFCs clocked 15% CAGR in credit, mainly due to the aggressive expansion of their footprint and the entry of numerous new players across India. However, non-banks faced headwinds after the IL&FS default in September 2018, followed by a liquidity crisis. Later, funding challenges and the Covid-19 pandemic added to the pressures curbing growth. Banks benefited in this milieu and used their surplus liquidity to gain market share in terms of credit in a few key segments. The pandemic brought about a sudden halt in economic activity and slowed down demand for credit in Fiscal 2021. In Fiscal 2022, the economy began to reopen and lockdowns were relaxed after the second wave of the pandemic, leading to normalisation of business activities, which drove credit growth in most segments.

Following moderation in credit growth during pandemic, NBFCs were back on track with growth of 16.2% in Fiscal 2023. This took the credit outstanding of NBFCs (including HFCs, PFC and REC and excluding HDFC) to approximately ₹ 34.8 trillion. CRISIL MI&A Research expects credit growth of 14%-16% in the medium term. The primary growth drivers being retail housing loans, personal loans, auto loans and microfinance in the retail segment and micro, small and medium enterprise loans in the wholesale segment. With NBFCs outpacing banks in credit growth, the market share of NBFCs is expected to increase by approximately 200 bps to 25% till Fiscal 2026.

After the NBFC crisis in Fiscal 2018, the retail segment led growth in the NBFC sector, while the wholesale segment saw low single-digit growth from Fiscal 2020 to Fiscal 2022. In Fiscal 2023, the retail segment grew 21.1% and the wholesale segment by 12.3%. While credit growth was broad-based in the retail segment, MSME was the primary growth driver for the wholesale segment. With continued focus on the retail segment and multiple players announcing plans to reduce wholesale exposure, the retail segment's market share is expected to rise further and have an equal share by the end of Fiscal 2026. The growth rate for retail loans supported by housing, MFI and auto is expected to be in the range of 16% - 18% between Fiscal 2024 and Fiscal 2026.

Overall NBFCs are expected to continue outpacing banking credit growth with a focus on growing the retail portfolio. Key retail segments supporting in the overall NBFCs with double-digit credit growth between Fiscal 2024 to Fiscal 2026 includes microfinance, retail housing, auto and gold loans.

The industry's portfolio outstanding clocked 22% CAGR between March 2016 and March 2023 to reach ₹ 3,492 Billion. The microfinance industry's JLG portfolio has recorded a healthy growth in the past few years.

In Fiscal 2021, the industry was adversely impacted by the onset of the Covid-19 pandemic. While disbursements came to a standstill and the industry portfolio outstanding dropped in the first quarter of the year, they picked up subsequently and reached pre-Covid levels in the third and fourth quarters. In Fiscal 2022, the second wave led to another slowdown, although not as severe as in the previous fiscal.

The microfinance industry has been growing despite facing various headwinds in the past decade, such as the national farm loan waivers (2008), the Andhra Pradesh crisis (2010), Andhra Pradesh farm loan waiver (2014), demonetisation (2016), and more state-specific farm loan waivers (2017 and 2018). Of these events, the Andhra Pradesh crisis of 2010 had a lasting impact on the industry. Some players had to undertake corporate debt restructuring and found it difficult to sustain their business. While the demonetisation of ₹ 500 and ₹ 1,000 denomination banknotes in November 2016 hurt the industry, the impact was not as deep as the Andhra Pradesh crisis and was limited to certain districts. PAR data as of September 2018 indicates the industry recovered strongly from the aftermath of the demonetisation. Furthermore, collections since September 2017 remained healthy. The liquidity crisis in 2018, however, had a ripple effect on microfinance lending as smaller NBFC-MFIs with capital constraints and lenders relying on NBFCs for funding slowed down disbursements.

NBFC-MFIs faced initial hiccups at the start of Fiscal 2021 due to the pandemic on account of uncertainty over collections and aversion by lenders to extend further funding to them. However, the situation improved gradually and most NBFC-MFIs, with the exception of a few, were able to improve the liquidity buffers during the course of the year by raising funds and after getting support from various government schemes. While the resurgence of Covid-19 led to a fresh bout of uncertainty with respect to collections in the first quarter of Fiscal 2022, the impact was not as pronounced as in the early part of the previous fiscal. The industry gradually rebounded in Fiscal 2022 on account of increased disbursements. Further, with revised MFI guidelines announced by the RBI in March 2022 that increased the total household income threshold for collateral-free loans coupled with higher consumption demand and lower slippages fuelled growth in Fiscal 2023. In February 2023, Telangana High Court ordered that RBI-regulated NBFCs operating as MFIs should not be governed by state laws, only the central bank has the power to regulate these entities. A similar Supreme Court ruling reaffirmed that state moneylending acts will not apply to NBFCs that are under the regulation of the RBI, addressing industry dual regulation issues.

Over the years, MFIs have proven their resilience to high-impact events. They have played an important role in promoting inclusive growth by providing credit to borrowers at the bottom of the economic pyramid. Despite catering to a vulnerable audience, the MFIs have historically proven their ability to recover effectively from crisis situations within a few months (for instance, demonetisation) and have been able to maintain profitability over a cycle. Amid the pandemic, the MFIs bolstered their capital position by raising fresh equity. Their ability to raise capital, even in such uncertain times, can be attributed to the latent growth potential of the sector, capability of the industry to wade through periods of crises by taking proactive steps, social impact of MFI lending and healthy profitability over business cycles. Furthermore, MFI lending is closely regulated by the RBI. Over the years, the central bank has come up with various regulations to enable long-term sustainable growth in the sector and reduce systemic risks.

The microfinance industry in India has witnessed a significant transformation with the advent of digital technology. Many players in the industry have adopted digital initiatives to enhance their operations and reach out to more customers. Some of the digital initiatives taken by players in the MFI industry include mobile-based applications, digitalisation of loan process, use of Aadhaar-based authentication, cashless transactions and digital financial education.

The MFIs have also partnered with fintech companies to enhance their digital capabilities and provide better services to customers. The fintech companies offer solutions such as digital payments, credit scoring and loan management

systems that the MFIs can leverage to improve their operational efficiency and expand their reach. Cashless disbursements and collections have become increasingly popular in the microfinance industry in India, as they promote transparency, reduce cash handling costs and improve customer experience.

In its Master Directions on microfinance loans released in March 2022, the RBI has done away with the interest rate cap applicable on loans given by NBFC-MFIs. Entities providing microfinance loans will have to put in place a Board-approved policy for the pricing of loans. The policy should include the interest rate model, the range of spread of each component for various categories of borrowers, the interest rate ceiling and all other charges on MFI loans. With microfinance loans provided by NBFC-MFIs and banks/SFBs now being subject to the same rules unlike the earlier regime, the RBI has ensured a level playing field for both NBFC-MFIs and banks/SFBs.

The increase in annual household income cap for microfinance borrowers (to ₹ 3,00,000 in both urban and rural areas), removal of the two-lender norm for lending by NBFC-MFIs and providing NBFC-MFIs greater flexibility to offer non-MFI loans (MFI loans should account for 75% of total assets for NBFC-MFIs, as per the new regulations) will increase market opportunities and enable NBFC-MFIs to achieve a more balanced portfolio.

While limit of 50% of total household incomes on the loan repayment obligation will act as a safeguard against excessive leveraging, the increased permissible debt limit and possibility of divergences in household income assessment criteria across lenders still pose risks. Proper data infrastructure would be required to analyse and estimate household income, especially in rural areas.

The Assets Under Management (AUM) of NBFC-MFIs is ₹ 1,56,884 Crores as on March 31, 2024, including owned portfolio ₹ 1,26,243 Crores and managed portfolio (off BS) of ₹ 30,641 Crores. AUM has increased by 29.5% as compared to March 31, 2023. Average loan amount disbursed per account during FY 2023-24 was ₹ 45,024 which has increased by around 9.9% in comparison to last financial year. MFIs have presence in 27 states and 5 union territories.

OPERATIONS OF THE COMPANY

Micro Finance Loans

During FY 2023-24, Asirvad Micro Finance Limited had achieved multiple milestones of serving over 3.91 million clients, crossing ₹ 10,938.94 Crores AUM, standalone Micro Finance branches 1,206. Micro Finance business is also done through a few Gold Loan Branches.

As on March 31, 2024, the Company operated across 22 States and 3 Union Territories with a presence in 450 districts, with client base of 3.91 million spread across over 1,206 branches in the field.

Asirvad Micro Finance Limited continuously invests in upgradation of its technology to serve its clients faster and has digitised its operations to reduce paperwork and TAT to customers.

Asirvad Micro Finance Limited continued to achieve business volumes through its multi-state operations. It has disbursed ₹ 9,322.13 Crores to 17,62,290 clients during the year. AUM stood at ₹ 10,938.94 Crores as on March 31, 2024.

MSME Loans

We offer loans to micro, small and medium enterprises in the manufacturing, service, trading and agri-allied activities to meet their working capital requirements and for addition or replacement of capital assets.

Our secured MSME Loans have ticket sizes of up to ₹ 1.50 Million. We also offer unsecured MSME Loans with ticket sizes up to ₹ 0.30 Million. Our MSME Loans have tenures between one year and seven years, payable in instalments. Our secured MSME Loans are backed by mortgage of immovable property.

As on March 31, 2024, total branches stood at 24 (including co-located branches), customer base at 2,425 and AUM at ₹ 51.92 Crores.

Loans against Gold

We commenced our Loan against Gold business in Fiscal 2021 in order to build our secured portfolio, to balance the unsecured nature of our microfinance loan portfolio. In our Loan against Gold portfolio, gold ornaments are pledged as collateral against the loan availed. In line with the RBI guidelines for MFIs issued on March 14, 2022, our growth plans were revised. Based on the revised RBI guidelines and the updated ceiling on the maximum amount of non-microfinance loan assets, we do not intend to grow our Loan against Gold portfolio to a significant proportion of our on-book assets.

As on March 31, 2024, total branches stood at 520, customer base at 1,31,642 and AUM at ₹ 889.68 Crores.

Resource Mobilisation & Treasury Operations

The funding for the business is from an optimum mix of equity and debt. The company continues to follow the policy of diversification of funding sources. The Company has existing relationship with more than 50 lenders across Banks, Financial Institutions, NBFCs and Overseas FII investors, who have sanctioned of ₹ 8,247.98 Crores during the year, and ₹ 8,878.41 Crores has been availed as on March 31, 2024.

The Funding mix of the company as on March 31, 2024 is given below:

Term Loan	74.61%
Non-convertible Debentures	10.80%
Securitisation	14.59%
Total	**100%**

Opportunities

Growing population an asset to the economy

India will continue to be a major opportunity market from a demand perspective.

Favourable demographics

India has one of the world's largest youth populations, with a median age of 28 years. About 90% of Indians are below 60 years of age. It is estimated that 64% of this population is aged between 15 and 59 years.

Urbanisation on the rise

Urbanisation is a key growth driver for India, supporting faster infrastructure development, job creation, development of modern consumer services and the city's ability to mobilise savings.

Threats of working in the microfinance sector includes significant reliance on information technology systems, dependence on information provided by our borrowers, operational risks such as unauthorised transactions, fraud, misappropriation and embezzlement in course of collections.

RISK MANAGEMENT

Risk management is integral to our business and as a lending institution, we face financial and non-financial risks. We have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external risks. We conduct regular training of our staff members with respect to risk-related matters, as part of our risk management process.

Our internal audit function uses data analytics and on-ground fact checking to create an extra level of oversight and control to the key risks of our business. For ease of administration and close scrutiny, we have also segregated our operations into eight zones based on factors such as borrower base, number of branches and AUM distribution. While these regions are managed by the regional heads in order to maintain close control over operations, our centralised independent risk, compliance, internal audit and secretarial functions work in tandem to meet control and corporate governance standards. Our risk management framework is primarily driven by our Board and its sub committees, the Risk Management Committee, the ALCO and is overseen by our fulltime Chief Risk Officer, who is responsible for establishing standards for risk assessment and testing, monitoring and performing testing of the risk controls, consolidating overall risk testing results and escalating any issues to senior management and/or the Risk Management Committee. Our risk management structure is set forth below:



The risk we face in our businesses are market risk, interest rate risk, credit risk, liquidity risk, operational risk, IT risk, reputation risk, cash management risk, collateral risk and legal risk, among others. We have policies in place to address these risks, which are reviewed annually by senior management and approved by the Board of Directors. We have identified the following as critical risk areas:

Credit Risk

Credit risk is the risk of financial loss to our Company if a borrower or counter-party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loan receivables from borrowers. Our business of providing microfinance loans to women borrowers for income generating activities requires a high level of credit risk management. We seek to ensure efficient and uniform appraisal, disbursement, collection and delinquency management, by developing streamlined approval and administrative procedures. We have a clearly defined appraisal policy which ensures that borrowers are sanctioned loans only after evaluating household income, obligation, fixed obligations to income ratio and completing detailed cash flows analysis. We undertake pre-credit review through field checks, credit bureau check and use technology and automation to establish credit worthiness, repayment capacity assessment and cash flows analysis. In addition, we have enabled cashless disbursements to limit risk of fraud and ensure end user verification. Our collections process has been similarly digitised and we use mobile applications and payment services for online collections. We also have message confirmations of collections and real-time status updates for loan status. We have clear delegation of powers in place, with a clear risk rating framework for profiling borrowers.

Concentration Risk

Concentration risk is associated with adverse developments in localised regions, which adversely impacts lending operations in the region. To minimise concentration risks, we follow prudent self-imposed exposure norms in our operations, which aim to limit our AUM exposure in a state to 10% of our total AUM and in each district, to 1% of our total AUM. We also limit our exposure to 5% of the estimated MFI market size within a state, as estimated by our Company, based on publicly available data if our total AUM is more than ₹ 100 Million in that state.

Operational Risk

Our Company identifies various operational risks inherent to its business model. These cover risks of a loss resulting from inadequate or failed internal process, people and systems or from external events. This can manifest in misappropriation, frauds, poor administrative discipline and dissatisfied clients. Key process risks include failure of internal controls inadequate reconciliation or accounting and inadequate recording of data. We have a dedicated operations function whose constant endeavour is to have thorough process guidelines, controlled through system platforms and monitored through dashboards. We have strict process checks, with weekly performance review meetings. Our compliance mechanism is robust, with systems controls for fraud monitoring and reporting. We have a disaster recovery and business continuity management in place.

Asset Liability Management Risk

Asset liability management risk is the risk that our Company will encounter difficulty in meeting the obligations associated with the financial liabilities that are settled by delivering cash or another financial asset. Our Company has an asset-liability management policy approved by the Board and has constituted an ALCO to oversee the liquidity risk management function. The ALCO meets on a monthly basis and submits its reports and minutes to the Risk Management Committee for review.

Reputation Risk

We recognise reputational risk as one of the major risks facing the industry and believe that it can be mitigated through responsible lending, maintaining discipline, client engagement and consistently following the fundamentals of microfinance. We have a robust grievance redressal mechanism. We have implemented customer service help lines for our borrowers as part of our comprehensive monitoring processes. Borrower complaints are reviewed, investigated and sought to be resolved within a prescribed time-frame depending on the nature of the complaint and are subsequently reported to the Board of our Company for review and any necessary guidance on our customer service quality. We also carefully calibrate our growth strategy to ensure we meet requirements of our members and also address concerns of various stakeholders. Further, we engage with our borrowers and the communities we serve through financial literacy and awareness programmes.

Legal Risk

Our Company has created a separate legal team to manage legal matters relating to our Company. Further, there is a dedicated unit to drive effective legal process for collections, while external counsel is sought for critical agreements, contracts, among others. We also seek to address regulatory risks, which stem from our requirement to comply with evolving laws and other compliance requirements to which we are subject. We monitor compliance with the requirements of regulatory authorities.

INTERNAL AUDIT & CONTROLS

Our audit process conducts an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis to ensure that business units adhere to our policies, compliance requirements and internal guidelines. We maintain an internal control framework which we view as an essential prerequisite for the growth of business. We have well-documented policies, procedures and authorisation guidelines that are commensurate with our size.

The scope of annual internal audit is finalised by the management and approved by our Audit Committee. While our internal audit is conducted based on our risk-based audit plan, we classify our branches based on risk profile. For other functions, based on the risk perception, the areas which need to be audited and which require more attention

are determined. We determine a risk matrix after assessing inherent business risk and control risk.

The reports generated by the internal audit team and any external audit firm appointed, are presented to our Audit Committee on a quarterly basis. The internal audit team is also responsible for ensuring timely closure of the observations noted in internal audit reports and brings open observations beyond due date to the attention of our senior management.

The Head of Internal Audit of our Company, reporting functionally to the Audit Committee and operationally to the Managing Director. Our internal audit function assists us in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of our internal control, risk management and governance processes. In addition, our internal audit policies are in line with the risk-based internal audit framework set forth by the RBI.

The internal audit activity is conducted with systematic accountability for confidentiality and safeguarding records and information. The head of internal audit is responsible for managing IT audits, administrative functions and audits of our loans business. There are internal auditors who are engaged in the audit of our microfinance loan, Loan against Gold and MSME Loan portfolios.

Our audit process for microfinance loans includes centre and branch visits, in course of centre audits, disbursement audits, branch audits and delinquency verification. For Loans against Gold, we undertake gold inventory verification and tallying, checks of electronic and physical security devices and have set in place risk-based alerts based on specified criteria. We have clearly delineated internal checklists providing audit check points for each of these structures, to ensure thorough checks and balances. Recognising the higher risk inherent in our Loan against Gold operations based on physical handling of gold, our inspection audit and security audit take place every 45 days, document audit takes place every 90 days and packet verification takes place every 120 days. All microfinance loan branches are audited at least once every month and reports are sent to the respective branch heads for necessary action.

HUMAN RESOURCES

We believe dedicated employees are a key determinant of an organisation's success. To that end, we endeavour to motivate and retain our employees by focussing on their growth and career advancement. We have a rigorous selection process for all levels of employees and endeavour to verify the background of prospective employees. We then focus on the career progression of these employees within our organisation, and prioritise their elevation over bringing in employees from other organisations laterally. All field employees start from the basic level and progress within our Company through a defined promotion and appraisal programme. We believe this enables us to motive our employees towards productivity and longer associations with us, which benefits us since these employees also have a sound understanding of the ethos of our organisation. We believe that our compensation and benefit packages are competitive with other companies in the microfinance industry. The compensation of our personnel is linked to both qualitative and quantitative aspects of performance. Our goal-oriented culture and incentive programmes have contributed to developing a motivated workforce that is focussed on building relationships with our borrowers and partners by delivering personalised customer service, growing profitability and striving for operational efficiencies.

There is an employee review mechanism which helps to improve productivity and identify areas which need further support. There is a performance-oriented incentive structure based on employees' reviews and general market conditions. We believe that we have a good working relationship with our employees and we have not experienced any significant employee disputes.

Weightage is given to hire loan officers from local areas for recruitment at entry level positions. They are then trained in-house so that they have a comprehensive understanding of the local areas in which they are assigned. The rest of the field level positions are filled by job rotations, transfers and promotions. We believe this creates additional employment opportunities in the rural villages in which we operate in an impactful way. We provide comprehensive in-person and online training for new employees which covers various aspects of our business operations including, among others, our policies and processes, the overall microfinance sector and its regulatory framework, as well as soft skills such as borrower engagement and people management.

The total manpower strength stood at 19,068 pan India as on March 31, 2024.

TRAINING

We strive to provide e-learning content in an engaging manner to our employees. MADU is a platform run by Manappuram Finance Limited ("MAFIL") and provides e-learning interactive content. Our Company has entered into an agreement with MAFIL, pursuant to which MAFIL will provide consulting and training services, comprising content development e-learning, virtual classroom, content development products and products manual, leadership management development programme, higher education and utilisation of training infrastructure, to the employees of our Company. Our employees are able to access MADU resources, including the Digital Library integrated within MADU, comprising a wide collection of books and study materials, online video tutorials and interactive sessions. We provide these and other opportunities for higher education and advancement. This helps employees in upskilling and taking up higher roles and responsibilities in our Company.

Board's Report

Dear Members,

Your Board of Directors have immense pleasure in presenting the 17th Annual Report of Asirvad Micro Finance Limited ("Company"), together with the Audited Financial Statements for the year ended March 31, 2024.

FINANCIAL HIGHLIGHTS AND STATE OF AFFAIRS

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross Income	2,731.94	1,759.28
Total Expenditure	2,110.31	1,448.35
Profit before Tax	**621.63**	**310.93**
Tax Expenses net of Deferred tax	163.33	87.50
Profit after Tax	**458.30**	**223.43**
Appropriations		
Transfer to Statutory Reserve	91.66	44.69
Surplus in Profit & Loss	896.95	530.31

During the financial year ended March 31, 2024, your Company recorded a turnover of ₹ 2,681.31 Crores as compared to the turnover of ₹ 1,715.20 Crores recorded during the previous financial year ended March 31, 2023. Revenue from operations for the year ended March 31, 2024, has increased by 56.33 % as compared to the period ended March 31, 2023. The Net profit of your Company for the financial year ended March 31, 2024, stood at ₹ 458.30 Crores as against the Net Profit of ₹ 223.43 Crores for the financial year ended March 31, 2023. The Profit before tax for the financial year ended March 31, 2024, reflects a growth of 105% as compared to the Profit for the financial year ended March 31, 2023.

OPERATIONAL HIGHLIGHTS

MFI

Particulars	Financial Year 2024	Financial Year 2023	Change (%)
Number of Branches	1,206	1,206	-
Number of Active Members	3,911,494	3,245,218	20.53%
Gross Loan Portfolio (in Crore)	10,938.94	9,297.21	17.66%
Total Disbursement (in Crore)	9,322	8,397	11.01%
No. of States (in Operation including UTs)	25	25	4.00%

Gold Loan

Particulars	Financial Year 2024	Financial Year 2023	Change (%)
Number of Branches**	520	461	12.80%
Gross Loan Portfolio (in Crore)	889.68	705.32	26.14%
Total Disbursement (in Crore)***	15,300	10,847	41.06%
No. of States (In Operation including UTs)	15	14	7.14%

**Including Hybrid Branches

*** Including repledge

MSME

Particulars	Financial Year 2024	Financial Year 2023	Change (%)
Number of Branches**	24	22	9.09%
AUM (in Crores)	51.92***	38.37	35.33%
No. of States (in Operation)	10	4	150%

**Including Hybrid Branches

*** Including Ma- Product Loans

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

TRANSFER TO RESERVE

As per the extant guidelines of Reserve Bank of India for NBFCs, the Company has transferred ₹ 91.66 Crores to the Statutory Reserve created under Section 45-IC of the Reserve Bank of India Act, 1934.

DEBENTURE REDEMPTION RESERVE

Pursuant to notification issued by Ministry of Corporate Affairs on 16th August 2019 in exercise of the powers conferred by sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government amended the Companies (Share Capital and Debentures) Rules, 2014.

In the principal rules, in rule 18, for sub-rule (7), the limits with respect to adequacy of Debenture Redemption Reserve and investment or deposits for the Company is not applicable, as Debenture Redemption Reserve is not required to be maintained in case of privately placed debentures for NBFCs registered with Reserve Bank of India under section 45-IA of the RBI Act, 1934.

DIVIDEND

In line with our dividend policy as in earlier years the entire profits have been ploughed back for business purposes, the Board of Directors has not recommended any dividend for the Financial Year 2023-24.

DEPOSITS

The Company is registered with Reserve Bank of India (RBI) as Non-Deposit Accepting NBFC under Section 45-IA of the RBI Act, 1934 and classified as NBFC-MFI, effective from October 04, 2013. The Board of Directors hereby confirm that the Company has not accepted any public deposit during the year under review and will not accept deposit in future without prior approval of Reserve Bank of India. Further, necessary documents have already been submitted before the Reserve Bank of India in this regard.

RESOURCES

The Company as an NBFC, mobilisation of resources at optimal cost and its deployment in the most profitable and secured manner constitutes the two important functions of the Company.

Management has been making continuous efforts to broaden the resource base of the Company so as to maintain its competitive edge.

Your directors are confident that the Company will be able to raise adequate resources for onward lending in line with its business plans.

TOTAL BORROWINGS

The Company's overall borrowing as on March 31, 2024 was ₹ 10,006.90 Crores.

i) Non-Convertible Debentures (Excluding subordinated debt)

During the year under review, your Company has raised funds of ₹ 25 Crores through issue of Non-Convertible Debentures (NCDs) on private placement basis and outstanding NCDs as on March 31, 2024 was ₹ 619.89 Crores.

ii) Subordinated Debt

During the year, your company raised funds of ₹ 250 Crores through issuance of Subordinated Debt on private placement basis and outstanding Subordinated Debt as on March 31, 2024 was ₹ 651.30 Crores.

iii) Commercial Paper

During the year, the Company raised ₹ 83.55 Crore through Commercial Paper and the same has been redeemed fully by March 31, 2024.

iv) External Commercial Borrowings

In the financial year ended March 31, 2024, the Company did not raise any funds through External Commercial Borrowing. The outstanding ECB as on March 31, 2024 was ₹ 98.29 Crores.

SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Venture and Associate Company during the Financial Year under review in terms of Companies Act, 2013 ("Act").

Further, the Company continues to remain the subsidiary of Manappuram Finance Limited, which holds 19,54,85,619 Equity Shares of ₹ 10/- each aggregating to ₹ 1,95,48,56,190/- constituting 97.60% of the Share Capital of the Company as on March 31, 2024.

CREDIT RATING

CARE has maintained the grading of your Company to "MFI 1", the highest in the industry.

The Company has debt credit ratings as follows:

Credit Rating Agency	Instrument	Rating
CRISIL	Bank Loan	CRISIL AA-/Stable
CRISIL	Long term -NCD	CRISIL AA-/Stable
CRISIL	Long term subdebt	CRISIL AA-/Stable
CRISIL	Commercial Paper	CRISIL A1+
CRISIL	Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA- /Stable

CAPITAL ADEQUACY

Your Company being a Middle Layer NBFC as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 is subject to the capital adequacy requirements prescribed by the Reserve Bank of India. The Company was required to maintain a minimum Capital to Risk Asset Ratio (CRAR) of 15% as prescribed under the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as amended from time to time) based on total capital to risk weighted assets. As of March 31, 2024, the Company's total Capital Adequacy Ratio (CAR) stood at 22.79% which is above the regulatory minimum of 15%.

Out of the above, Tier I capital adequacy ratio stood at 18.40 % and Tier II capital adequacy ratio stood at 4.39 %.

SHARE CAPITAL

The Authorised Share Capital of the Company comprises of 3,00,00,00,000 equity shares of ₹ 10 each.

During the year ended March 31, 2024, the authorized preference share capital was sub-divided from 10,00,000 Preference Shares of ₹ 100 each to 1,00,00,000 Preference Shares of ₹ 10 each. Further the Company reclassified 1,00,00,000 Preference Shares of ₹ 10 each to 1,00,00,000 Equity Shares of ₹ 10 each and during the year ended March 31, 2024, the authorized equity share capital increased from 10,00,00,000 equity shares of ₹ 10 each amounting to ₹ 100,00,00,000 to 30,00,00,000 equity shares of ₹ 10 each

amounting to ₹ 3,00,00,00,000 which was duly approved by the board in meeting dated August 16, 2023, and by the shareholders of the Company by means of an ordinary resolution dated August 18, 2023.

Paid up Equity Share Capital of the Company has increased from ₹ 62.64 Crores to ₹ 200.28 Crores by way of Rights Issue and Bonus issue.

The Board approved the Right issue of 41,20,879 Equity Shares of ₹ 10 each fully paid up at ₹ 364 per share at the meeting held on June 30, 2023.

The Board of directors of the Company at its meeting held on August 16, 2023, considered and approved issue of 2 bonus equity shares of face value of ₹ 10/- each against 1 equity share of the face value of ₹ 10 each. The shareholders in their meeting held on August 18 ,2023, have approved the issue of bonus shares and through a Board resolution dated August 26, 2023, the Company has allotted equity shares as bonus shares to the existing equity shareholders of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of Loans, Guarantees/Investments are detailed in the Financial Statements. Kindly refer Note 8.

RELATED PARTY TRANSACTIONS

Contracts/ arrangements/ transactions entered by the Company during the FY 2023-24 with related parties under Section 188 of the Act were in ordinary course of business and on arm's length basis. During the year, the Company had entered into multiple transactions with the holding Company, Manappuram Finance Limited which could be considered material in accordance with the provisions of Regulation 23 of SEBI LODR and the Company's policy on related party transactions. Therefore, particulars of contracts/ arrangements with related parties under Section 188 in Form AOC-2 is annexed with this report as **"Annexure-A"**. Necessary disclosures as required in compliance with accounting standards with related parties are disclosed in notes forming part of the financial statements in the annual report.

Board of Directors has formulated a Policy on Related Party Transaction, which is available on the website of the Company at https://asirvadmicrofinance.co.in/wp-content/uploads/2023/12/Policy%20on%20Related%20Party%20Transactions%20%2011-11-2023.pdf and the same is also annexed to this report as **"Annexure-B"**.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis report for the year under review is attached as a separate annexure forming part of the Annual Report.

EXTRACT OF ANNUAL RETURN

Annual return in Form-MGT-07 has been posted in the website. The link of the same is https://asirvadmicrofinance.co.in/annual-return-as-provided-under-section-92-of-the-companies-act-2013-and-the-rules-made-thereunder/

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company, which has occurred between the end of the financial year of the Company i.e March 31, 2024, and the date of the Director's Report.

RBI REGULATIONS

Your Company has generally complied with all the regulatory provisions of the Reserve Bank of India applicable to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. Constitution of Statutory committees are in compliance with the corporate governance provisions as specified in the master direction issued by the Reserve Bank of India.

The Company is in compliance of the regulatory requirements of net owned funds ('NOF') as defined under Section 45-IA of the RBI Act, 1934 and Master Direction– Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, to carry on the business of an NBFC-MFI.

CORPORATE GOVERNANCE REPORT

Your Company has framed an Internal Guidelines on Corporate Governance, in compliance with the Directions issued by RBI for NBFCs. The Company has put in place various policies, systems and processes to achieve transparency, business ethics and compliance with applicable laws.

A Complete Report on Corporate Governance is attached as **"Annexure-C"** forming part of the Director's Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of your Company has an optimum combination of Executive and Non- Executive Directors in adherence to the applicable provisions.

As on March 31, 2024, the Board had Eleven Directors, which comprises of One Executive (Managing Director), and Ten Non-Executive Directors out of which Seven are Independent Directors. Your Company believes that a well-structured Board initiate better practices and governance based on the vast knowledge and experience of the Board Members.

In the Annual General Meeting dated August 16, 2023, members approved appointment of Mr. V.P Nandakumar (holding DIN: 00044512) who retires by rotation and being eligible, offered himself for re-appointment as Non-Executive Non- Independent Director of the Company.

- Mr. T M Manoharan (DIN: 00225640) resigned from office of director w.e.f. July 15, 2023 due to health issues.
- Dr. Sumitha Nandan (DIN: 03625120) was appointed as Additional Director at the Board Meeting held on September 22, 2023. In the Extra Ordinary General Meeting held on October 03, 2023, Members approved the appointment of Dr. Sumitha Nandan (DIN: 03625120) as a Non-Executive Non-Independent Director of the Company with effect from September 22, 2023.
- Mr. A Ramanathan (DIN: 02645247) retired as Independent Director as his tenure completed on November 30, 2023.
- Dr. Sumitha Nandan (DIN: 03625120) resigned from office of director w.e.f. February 13, 2024 due to personal and unavoidable circumstances.

In the opinion of the Board of Directors, the Independent Directors on the Board are persons of integrity and possess the relevant expertise & experience. Further, all the Independent Directors are registered in the Databank maintained by the institute in terms of Section 150 of the Companies Act, 2013 and have either qualified the online proficiency self-assessment test or are exempted.

The Board has recommended the reappointment of Mr. Abhijit Sen (DIN: 00002593), whose term will end on August 24, 2025, for a second term of five years.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2024 are:

- Mr. B N Raveendra Babu, Managing Director; (DIN: 00043622)
- Mr. Rajesh KRN Namboodiripad, Chief Financial Officer; and
- Ms. Aparna Menon, Company Secretary

Director retiring by rotation

Mr. Gautam Saigal (DIN: 00640229), Director is liable to retire by rotation in terms of provisions of the Companies Act, 2013 at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment. The Board recommended his reappointment in its meeting held on May 06, 2024.

DECLARATION FROM INDEPENDENT DIRECTOR

Your Company has received necessary declarations from all Independent Directors of the Company confirming that they meet criteria as mentioned in Section 149 of the Act and SEBI LODR.

Your Company has also received undertaking and declaration from each director on fit and proper criteria in terms of the provisions of Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

INDEPENDENT DIRECTOR'S MEETING

During the year, meeting of Independent Directors was held on March 29, 2024 as required under Companies Act, 2013 and in compliance with the requirement under Schedule IV of the Act to consider the matters specified therein.

RISK MANAGEMENT

The Company has a Board approved Risk management policy which caters to the overall risk framework and monitoring commensurate to the size and operations of the Company.

Risk management is integral to our business and as a lending institution, we face financial and non-financial risks. We have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external risks. We conduct regular training of our staff members with respect to risk related matters, as part of our risk management process.

The risk we face in our businesses are market risk, interest rate risk, credit risk, liquidity risk, operational risk, IT risk, reputation risk, cash management risk, collateral risk and legal risk, among others.

We have policies and procedures in place to measure, manage and control the various risks to which we are exposed, which include our asset management policy, credit policy, whistle blower and vigilance mechanism, fair practices code, grievance redressal policy, internal guidelines on corporate governance, investment policy, risk management policy, IT policies and procedures, and KYC and anti-money laundering policy. Our Board of Directors and various Board Committees, including the Risk Management Committee, review our internal policies and procedures, including our risk management policies from time to time. We also depend on our information technology systems to assist us with our risk management functions, and carry out periodic IT audits to identify risk areas.

We continue to focus on risk management, on ground audit, vigilance checks and crisis-tested collection capabilities, leading to healthy asset quality.

Our credit quality is a product of our robust risk management policies and practices. As a middle layer NBFC under the RBI's scale-based regulations with an asset size of more than ₹ 10,000 million, we are governed by and closely follow RBIs risk management framework. Our risk management division is divided into separate teams that are dedicated to managing and mitigating credit risk, market risk and operational risk, and which are subject to oversight by our vigilance department and Audit Committee and our Board. Our Risk Committee periodically reviews current and emerging risks, including regulatory, information technology, liquidity and other risks as stipulated under our risk management framework and suggests requisite risk assessment procedures and measurement of systems, establishes policies, practices and other control mechanisms to manage risks and develop risk tolerance limits.

We assess risk at both macro and micro levels on a continuous basis. Our macro-level risk mitigation measures include detailed geographical exposure limits to limit regional asset concentration and local adversities.

At an operational level, our risk management approach starts with selection of lower risk business destinations and opening of branch offices based on industry and peer comparison data at an industry level. This requires the risk management team to filter out geographic areas with track record of high delinquencies on account of economic, political, social and environmental factors.

Thereafter, the operational team initiates branch set-up and commencement of business. We have adopted pre-defined policies and systems, which cover selection of borrowers, determination of group size, sanctioning ticket size based on borrower profile, selection of teams and adequate training to employees and borrowers, creating the next level of risk management and control.

Detailed monitoring of collections data forms the bedrock of our risk management at the borrower level. Online data support on real-time basis allows us to identify early delinquent risks within groups and borrowers. Specific identification and risk profiling of delinquent borrowers forms the next level of our risk management.

Based on the data collected, our branches are categorised into various categories of risk based on employee behaviour pattern, collections, delinquencies, among others, with higher risk branches being subject to greater supervision and monitoring.

From onboarding through disbursement and even thereafter, we have audit and diligence oversight across branches. All branches are audited on a monthly basis with higher risk branches being audited with higher frequency and for longer durations. Further, there is an independent vigilance team which oversees the function of the audit personnel and reports directly to our Managing Director.

For governance of our risk management functions, we have a Risk Management Committee, the majority of whose members are Independent Directors. The Chief Risk Officer reports operationally to the Chairman of the Risk Management Committee and administratively, to our Managing Director. The Risk Management Committee meets periodically for governance and monitoring of the overall risk of our Company. We have set out clear policies and guidelines to support our risk management at every stage, including our credit risk management policy, asset liability management policy, fair practice code, KYC/ AML guidelines, outsourcing policy and information security policy, as well as our policy on exposure limits.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) activities have been undertaken by the Company in accordance with the CSR Policy of the Company as formulated by the Board of Directors on the recommendation of the CSR Committee in pursuance to Section 135 of the Companies Act.

For detailed information regarding CSR Committee, refer the Corporate Governance Report. Further, CSR Annual Report is attached herewth as **"Annexure-D"**, which forms an integral part of this report. The Company's CSR policy is committed towards CSR activities as envisaged in Schedule VII of the Companies Act, 2013.

Salient Features of the CSR Policy is as below:

- **Objective:** The objective of the Corporate Social Responsibility is to benefit the society by improving the quality of the individual, their families, local community at large. Serving the needy people is the top priority of Asirvad Micro Finance Limited ("AMFL/ The Company"). The Company already engages in improving the life of the poor or needy people by providing micro finance business. The Company's vision to benefit the under privileged does not end with that. The Company through CSR activities intends to participate in the overall development of the society.

- **Ethics, Transparency & Accountability:** The Company is committed to maintain ethical value, transparency and accountability. Further, the Company will not engage in the business practices that are abusive, unfair and corrupt.

- **CSR Activities:** As part of the CSR, the company is presently engaged in several projects which are socially relevant and demanding in the locality surrounding its corporate office area and other locations where the company has branches or other place of business. The company may continue to undertake / fund project, programs or activities of the following nature and also undertake such other activities as may be approved by the board as is falling under schedule VII of the Act 2013.

During the financial year 2023-24, the CSR Policy was amended to reflect the changes in statutory provisions and betterment of language.

The CSR policy is available on :

https://asirvadmicrofinance.co.in/wp-content/uploads/2023/12/CSR%20Policy.pdf

AUDITORS

Statutory Auditors & their Report

As per section 139 of the Act, read with the Companies (Audit and Auditors) Rule 2014, the members of the Company at the fourteenth Annual General Meeting appointed M. P. Chitale & Co, Chartered Accountants (Firm Registration

No. 101851W) for a period of 3 years commencing from the conclusion of 14th Annual General Meeting (AGM) till the conclusion of ensuing 17th AGM of the Company.

The Statutory Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

However, the report states that the audit trail feature is not enabled for direct changes to database in certain data tables at the database level. In respect of this the Company has provided the response in Note 67 of the Accounts.

Secretarial Auditor & their Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board at its meeting held on May 09, 2023 appointed KSR & CO Company Secretaries LLP as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year ended March 31, 2024.

The Secretarial Audit Report as received in the prescribed Form No.MR-3, do not contain qualification, reservation, or adverse remarks. The Secretarial Audit Report for the Financial Year 2023-24 is appended as **"Annexure- E"** to this report.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year ended March 31, 2024 for all applicable compliances as per the Regulation 24A of the Listing Regulations and Circulars/ Guidelines issued by SEBI. The Annual Secretarial Compliance Report issued by KSR & Co, Company Secretaries LLP has been submitted to the stock exchanges.

NON-APPLICABILITY OF MAINTENACE OF COST RECORDS

The provisions of Section 148 of the Companies Act, 2013 and Rules framed thereunder pertaining to maintenance of cost records as well as cost audit are not applicable to the Company.

FRAUDS REPORTED BY AUDITORS

Pursuant to sub-section 12 of Section 143 of the Act, the Statutory Auditors and the Secretarial Auditors of the Company have not reported any instances of material frauds committed in the Company by its officers or employees, except a few instances which are duly identified by the Company as detailed in note number 47 to the Financial Statements.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors confirm that:

i. In the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards as set out with the requirements under Schedule- III of the Act, had been followed with the proper explanation relating to material departures for the same.

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and the profit and loss of the Company for the year ended on that date.

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They have prepared the annual accounts on a going concern basis and

v. They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of the Company has met 13 (thirteen) times during the year under review. For details regarding the said meetings of the Board, please refer the Corporate Governance Report, which is a part of this report.

ANNUAL PERFORMANCE EVALUATION

The Company has in place the Board Evaluation Policy which has been approved by the Board to evaluate the performance of the Board, its committees and individual directors. In accordance with the criteria specified by the Board, the process of annual evaluation has been designed.

The evaluation of all the directors, committees, Chairman of the Board, and the Board as a whole, was conducted based on the criteria and framework adopted by the Board.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has adopted a policy on director's appointment and remuneration for directors, key managerial personnel and other employees including criteria for determining qualification, positive attributes, independence etc. as laid down by the Nomination Committee of the Board in compliance with the provisions of Section 178 of the Act. The policy can be viewed at https://asirvadmicrofinance.co.in/wp-content/uploads/2024/04/Nomination%20%20Remuneration%20Policy%2016-03-24.pdf

The policy of Nomination and Remuneration Policy is attached as **"Annexure-F"** forming part of the Director's Report.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has put in place adequate policies and procedures to ensure that the system of internal financial control is commensurate with the size and nature of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with company's policies.

Additionally, our internal audit process conducts an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis to ensure that business units adhere to our policies, compliance requirements and internal guidelines. We maintain an internal control framework which we view as an essential prerequisite for the growth of business. We have well documented policies, procedures and authorization guidelines that are commensurate with our size.

The scope of annual internal audit is finalised by the management and approved by our Audit Committee. While our internal audit is conducted based on our risk-based audit plan, we classify our branches based on risk profile. For other functions, based on the risk perception, the areas which need to be audited and which require more attention are determined. We determine a risk matrix after assessing inherent business risk and control risk.

The reports generated by the internal audit team and any external audit firm appointed, are presented to our Audit Committee on a quarterly basis. The internal audit team is also responsible for ensuring timely closure of the observations noted in internal audit reports, and brings open observations beyond due date to the attention of our senior management.

The internal audit activity is conducted with systematic accountability for confidentiality and safeguarding records and information. The head of internal audit is responsible for managing IT audits, administrative functions, and audits of our loans business. There are internal auditors who are engaged in the audit of our microfinance loan, Loan against Gold and MSME Loan portfolios.

Furthermore, during the Financial Year 2023-24, Deloitte Touche Tohmatsu India LLP was appointed as consultant supporting the Internal Audit function of the Company and the report of the said auditor along with the management responses were also placed before the Audit Committee periodically.

DETAILS OF AUCTIONS HELD DURING THE YEAR 2023-24

Additional disclosures as required by Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023:

Year	Number of Loan Accounts	Principal Amount O/S at the date of Auctions (A)	Interest Amount O/S at the date of Auctions (B)	Total (A+B)	Value Fetched
Financial Year 2023-2024	2661	16,32,02,147	5,73,08,689	22,05,10,836	16,09,92,424

Note: No sister concern participated in the auctions during the year ended on March 31, 2024.

DEMATERIALISATION OF SHARES

As on March 31, 2024, all the shares held by the Shareholders are in Demat form.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors of the Company had approved the Policy on Vigil Mechanism/Whistle Blower to deal with instance of fraud and mismanagement, if any and the same is also available on the website of the Company. This Policy inter-alia provides direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that Nil complaint was received during the year from a Director or an Employee.

FAIR PRACTICE CODE

The Company has in place a Fair Practices Code ("FPC") as approved by the Board, in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers enabling them to take informed decisions. The FPC is available on the website of the Company at https://asirvadmicrofinance.co.in/fair-practice-code-policy/

DETAILS OF THE EMPLOYEES STOCK OPTION SCHEME IN TERMS OF RULE 12 (9) OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014

The Company has granted the options under "Asirvad Employee Stock Option Scheme, 2019" and the necessary disclosures are made in **"Annexure-G"** of this report.

ENERGY CONSERVATION, TECHNOLOGY ABSORBTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (accounts) Rules, 2014, is disclosed in **"Annexure-H"** as attached with this report.

SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the applicable Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India.

COMPOSITION OF COMMITTEES

The Composition of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, CSR Committee, IT Strategy Committee, Borrowing & Securities Allotment Committee, Management Committee, and IPO Committee are detailed in the Corporate Governance Report.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has constituted Internal Complaint Committee (ICC) in line with requirement of the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder.

Your Company is also having in place a detailed Policy on Prevention of Sexual Harassment of Women at Workplace, which is formed in order to provide an environment where women can work or interact with dignity and expect protection against sexual harassment.

The following is the summary of sexual harassment complaints received and disposed off during the year:

1.	No. of complaints received during the year	2
2.	No. of complaints disposed off	1
3.	No. of Complaints pending at the year end	1

All Employees (Permanent, Contractual, Temporary, Trainees etc.) are covered under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

OTHER DISCLOSURES AND AFFIRMATIONS

The Company affirms that for the year ended on March 31, 2024:

- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- The Company has not issued any Sweat Equity Shares
- The Company has not resorted to any buy back of its equity shares.
- Your Company has neither filed any application nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one-time settlement with any bank or financial institution.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

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

CERTIFICATE ON CORPORATE GOVERNANCE

Certificate provided by KSR & Co. Company Secretaries LLP, towards compliance of the provisions of Corporate Governance, forms an integral part of this Report and is given as **"Annexure-I"**.

PARTICULARS OF EMPLOYEES

The Company had 19,068 employees as on March 31, 2024. Details of remuneration as required to be provided pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been annexed herewith as **"Annexure-J".**

DETAILS OF REMUNERATION/COMMISSION RECEIVED BY MANAGING DIRECTOR FROM SUBSIDIARIES

Asirvad has no subsidiary during financial year 2023-24. Further, Mr. B. N. Raveendra Babu (DIN- 00043622), Managing Director of the Company has not received any remuneration/ commission from the Parent Company- Manappuram Finance Limited.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

No company became or ceased to be subsidiary or joint venture or associate company of Asirvad Micro Finance Limited during the Financial Year 2023-24.

IDENTIFICATION OF PROMOTER

The Board of Directors of the Company have approved reclassification of Mr. Raja Vaidyanathan from 'promoter' to 'public' category by way of resolution dated September 22, 2023. Additionally, pursuant to Board Resolution dated February 13, 2024, Mr. V.P Nandakumar has been identified as the individual promoter of the Company.

As on March 31, 2024, Manappuram Finance Limited and Mr. V.P Nandakumar are categorised as the promoters of the Company.

FILING OF DRAFT RED HERRING PROSPECTUS

Your Company has filed a draft red herring prospectus with SEBI on October 05, 2023 for raising equity capital.

CHANGE IN NATURE OF BUSINESS IF ANY

There has been no change in the nature of business during the financial year 2023-24.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation for the assistance and co-operation extended by the shareholders, debenture holders, debenture trustees, Reserve Bank of India, Registrar of Companies, Securities and Exchange Board of India, BSE Limited, Bankers, Financial Institutions, Business Associates, Government Authorities, Sa-Dhan, MFIN, Customers, Vendors and other stakeholders during the year under review.

We are grateful for the continuous confidence and faith shown by the promoters of the Company.

The Directors also extend their appreciation to all the employees for their continued support and unstinting efforts in ensuring an outstanding operational performance and for their commitment, dedication and cooperation.

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V. P. Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 24, 2024
Place: Valapad

Annexure-A

Form No. AOC-2

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

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

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

   There were no contracts or arrangements or transactions entered into by the Company during the financial year 2023-24 which were not at arm's length basis.

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

   (a) Name(s) of the related party and nature of relationship: Manappuram Finance Limited ("MAFIL") – Holding Company

   (b) Nature of contracts/arrangements/transactions

(All amounts in ₹ lakhs)

Nature	Year Ended March 31, 2024
Rent & other amenities	39.61
Reimbursement of Expenses	71.66
Rent receivable (Including Reimbursement)	13.86
Training expenses	66.23
Interest expense	1961.94
Term loan	12,000
Subordinated debt	15,000
Total	**29,153.30**

Note:- For more details, please refer note no. 36 of the Financial Statements

   (c) Duration of the contracts / arrangements/transactions

- Loan availed from MAFIL for ₹ 12,000 Lakhs and interest on Loan is for a tenure of 12 months. The loan was pre-closed and as on March 31, 2024 there is no amount outstanding.
- Subordinated Debt ("NCD") issued with MAFIL for ₹ 15,000 Lakhs and interest on NCD is for a tenure of 72 months.
- Training expenses are approved on a yearly basis by Audit Committee.
- Rent is being paid on a recurring basis under omnibus limits approved on an annual basis by Audit Committee.

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

1. Loan of ₹ 12,000 Lakhs

Limit and Tenure	Loan availed from MAFIL for ₹ 12,000 Lakhs and interest on Loan is for a tenure of 12 months. The loan was pre-closed and as on March 31, 2024, there is no amount outstanding.
Tranches	Revolving Credit facility- Multiple tranches based on requirement
Interest Rate	9.70% per annum payable monthly.
Security	Unsecured. However, Asirvad shall maintain unencumbered collateral to cover MAFIL's exposure at any point of time.

2. Subordinated Debt of ₹ 15,000 Lakhs ("NCD")

Limit and Tenure	₹ 15,000 Lakhs for 72 months from the date of disbursement
Tranches	Single tranche
Interest Rate	11.25% per annum payable yearly.
Security	Unsecured

Training expenses are approved on a yearly basis by Audit Committee based on actual transactions.

Rent is being paid on a recurring basis under omnibus limits approved by Audit Committee.

   (e) Date(s) of approval by the Board, if any:

   1. Loan of ₹ 12,000 Lakhs - Board approved on August 01, 2022
   2. Subordinated Debt of ₹ 15,000 Lakhs - Board approved on March 23, 2023

   (f) Amount paid as advances, if any: NA

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V. P. Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 24, 2024
Place: Valapad

Annexure-B

ASIRVAD MICRO FINANCE LIMITED
RELATED PARTY TRANSACTIONS (RPTs) POLICY

1. Preamble

The Related Party Transactions Policy provides a framework to regulate transactions between Asirvad Micro Finance Limited ("Company/AMFL") and its Related Parties based on the applicable laws and regulations applicable on the Company.

2. Definitions

"Audit Committee" or **"the Committee"** means the committee of Board of Directors of the Company constituted under the provisions of Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations, 2015 ('SEBI Listing Regulations') read with Section 177 of the Companies Act, 2013;

"MAFIL" means Manappuram Finance Limited, which is the Holding Company of AMFL

"Material Related Party Transactions" means a transaction with a Related Party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company or ₹1,000 Crores, whichever is less;

Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company

"Related Party" means related party as defined in Regulation 2(1)(zb) of the SEBI Listing Regulations, which inter alia provides that a "related party" means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards[1].

Further,

i. any person or entity forming part of the promoter or promoter group of the Company;

ii. Any person or entity holding equity shares of 20% or more, (10% or more with effect from 01st April, 2023) in the Company, either directly or indirectly or on a beneficial interest basis (as per Section 89 of the Act) at any time during the immediate preceding financial year.

shall be deemed to be a related party.

"Related Party Transaction" a means related party transaction as defined under Regulation 2(1)(zc) of the SEBI Listing Regulations;

"Relative" means relative means relative as defined under sub-section (77) of section 2 of the Companies Act, 2013 and rules prescribed there under.

"Senior Officers" means shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the managing director including the company secretary and chief financial officer.

All other words and expressions used but not defined in this policy, defined in Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, and SEBI Listing Regulations and IndAS 24 shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case maybe.

3. Policy

All Related Party Transactions shall require prior approval of the Audit Committee comprising of a quorum of only Independent Directors being members of the said Committee approving the same. Such approval shall be only at a meeting of the Audit Committee and not by circulation.

[1]A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity'). (a) A person or a close member of that person's family is related to a reporting entity if that person: (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to a reporting entity if any of the following conditions applies: (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others). (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member). (iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity. (vi) The entity is controlled or jointly controlled by a person identified in (a). (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity). (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

All proposed Related Party Transactions and subsequent material modification of such Related Party Transaction must be presented before the Audit Committee for prior approval by the Independent Directors of the Committee.

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant omnibus approval.

The Company Secretary shall be responsible for implementation of the Policy.

4. Transactions that are considered as Related Party Transactions:

Following types of the transactions considered as related party as per section 188 of Companies Act 2013:

(a) Sale, purchase or supply of any goods or materials;

(b) selling or otherwise disposing of, or buying, property of any kind;

(c) leasing of property of any kind;

(d) availing or rendering of any services;

(e) appointment of any agent for purchase or sale of goods, materials, services or property;

(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(g) underwriting the subscription of any securities or derivatives thereof, of the company.

Types of the transactions considered as related party transaction as per Reg.2(1)(zc) of SEBI Listing Regulations.

a) A transaction involving a transfer of resources, services or obligations between

(i) A listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand

(ii) A listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries with effect from April 01 2023

Regardless of whether a price is charged and a transaction with a related party shall be construed to include a single transaction or group of transactions in a contract.

As per and IND AS-24, of the Companies (Indian Accounting Standards) Rules, 2015 following are examples of transactions that are disclosed if they are with a related party:

(a) Purchases or sales of goods (finished or unfinished);

(b) Purchases or sales of property and other assets;

(c) Rendering or receiving of services;

(d) leases;

(e) Transfer of research and development;

(f) Transfer under license agreements;

(g) Transfer under finance arrangements (including loans and equity contribution in cash or in kind);

(h) Provision of Guarantees and Collaterals;

(i) Commitments to do something if a particular event occurs or not occur in the future, including executory contracts (recognized and unrecognized)

(j) Settlement of liabilities on behalf of the entity or by the entity on behalf of that related party;

(k) Management contracts including for deputation of employees.

Parties are considered to be related under IND AS 24, if one party has the ability to control the other party or exercise significant influence over the other party, directly or indirectly, in making financial and/or operating decisions and includes the following:

1. A person or a close member of that person's family is related to a company if that person:
   a. has control or joint control or significant influence over the Company; or
   b. is a key management personnel of the Company or of a parent of the Company; or

2. An entity is related to a company if any of the following conditions applies:
   a. The entity is a related party under Section 2(76) of the Companies Act, 2013; or
   b. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); or
   c. Both entities are joint ventures of the same third party; or
   d. One entity is a joint venture of a third entity and the other entity is an associate of the third entity; or
   e. The entity is controlled or jointly controlled by a person identified in (1); or

f. A person identified in (1)(b) has significant influence over the entity (or of a parent of the entity)

5. Transactions that are not considered as Related Party Transactions:

The following transactions are not considered as Related Party Transactions

a) The issue of specified securities on a preferential basis, subject to compliance of the requirements under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018

b) The Corporate actions by the Company which are uniformly applicable/offered to all shareholders in proportion to their shareholding

(i) Payment of dividend;

(ii) Subdivision or consolidation of securities;

(iii) Issuance of securities by way of a rights issue or a bonus issue; and

(iv) Buy-back of securities

6. Identification of Related Parties and Interested Director with respect to transactions:

Every Director will be responsible for providing a declaration in the format as per **Form RPT** (Annexure-1 to this Policy) containing the following information to the Company Secretary on an annual basis:

1. Names of his / her Relatives;
2. Partnership firms in which he / she or his / her Relative is a partner;
3. Private Companies in which he / she or his / her Relative is a member or Director;
4. Public Companies in which he / she is a Director and holds along with his/her Relatives more than 2% of paid up share capital as at the end of immediate preceding financial year;
5. Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with his / her advice, directions or instructions (other than advice, directions or instructions obtained from a person in professional capacity);
6. Persons on whose advice, directions or instructions, he / she is accustomed to act (other than advice, directions or instructions obtained from a person in professional capacity); and
7. Body Corporate or any Association of Individuals in which he / she or his / her Relative is a Director or owner or Partner or Promoter or Manager or Chief Executive Officer of Body Corporate or Member of the Association of Individuals.

Every Key Managerial Personnel other than a director will also be required to provide the Names of his / her Relatives in the format as per **Form RPT** on an annual basis.

Every Director and the Key Managerial Personnel will also be responsible to update the Company Secretary of any changes in the above relationships, directorships, holdings, interests and / or controls immediately upon him / her becoming aware of such changes.

7. Transactions and factors for consideration by the Committee in approving and recommending the proposed Related Party Transactions for approval by the Board:

Transactions that require prior approval of Audit Committee

a) All Related Party Transactions and subsequent material modifications to such Related Party Transactions;

Transactions that require prior approval of Audit Committee of MAFIL:

a) Related Party Transactions to which AMFL is a party but MAFIL is not a party shall require prior approval of Audit committee of MAFIL if the value of such transactions whether entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of MAFIL;

b) With effect from April 1, 2023 Related Party Transactions to which AMFL is a party but MAFIL is not a party shall require prior approval of Audit committee of MAFIL if the value of such transactions whether entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual standalone turnover as per the last audited financial statements of AMFL;

Material Modification

Any material modification to the terms approved by the Audit Committee for the Related Party Transactions will require its prior approval. The following terms shall be considered as material terms in respect of every Related Party Transaction, except in case of financial transactions:

a. Substitution of the name of the Related Party arising due to succession, corporate re-structuring, acquisition etc.

b. Nature of goods or services

c. Total value of the Related Party Transaction

d. Period approved for Related Party Transaction

In respect of financial transactions like providing of loan, inter-corporate deposit:

a. Substitution of the name of the Related Party arising due to succession, corporate re-structuring, acquisition etc.

b. Quantum of loan or inter-corporate deposit.

c. Interest related terms including interest holiday, if any, security terms, if any

d. Period

e. Repayment terms

Information to be placed before Audit Committee:

The following information shall be placed before the Audit Committee of the Board of Directors to enable the independent directors who are members of the Audit Committee to consider and decide on the approval in respect of Related Party Transactions:

a. Type, material terms and particulars of the proposed transaction;

b. Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise);

c. Tenure of the proposed transaction (particular tenure shall be specified);

d. Value of the proposed transaction;

e. The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a Related Party Transaction involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);

f. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:

   i) details of the source of funds in connection with the proposed transaction;

   ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,

   - nature of indebtedness;
   - cost of funds; and
   - tenure;

   iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and

   iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transactions.

g. Justification as to why the Related Party Transaction is in the interest of the Company;

h. A copy of the valuation or other external party report, if any such report has been relied upon;

i. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed related party transaction, on a voluntary basis;

j. Any other information that may be relevant

The Audit Committee of the Board shall also review the status of long-term (more than one year) or recurring related party transactions on an annual basis.

Factors to be considered by the Audit Committee

While considering any related party transaction, the Committee shall also take into account all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters as specified in the relevant applicable circulars issued by SEBI from time to time

Prior to the approval, the Committee may, inter-alia, consider the following factors to the extent relevant to the transaction:

a. Whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis;

b. Whether the transaction could be material or significant by value;

c. The business reasons for the Company to enter into the Related Party Transaction and the nature of alternative options available, if any;

d. Whether the Related Party Transaction includes any potential reputational risks or misuse of corporate assets that may arise as a result of or in connection with the proposed Transaction; and

e. Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial interest or benefit

to the Director, Key Managerial Personnel or other Related Party concerned, the direct or indirect nature of the Director's interest, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Committee deems relevant.

f. While considering the arm's length nature of the transaction, the Committee may take into account the facts and circumstances as were applicable at the time of entering into the transaction with the Related Party. The Committee may also take into consideration subsequent events (i.e., events after the initial transactions have commenced) like evolving business strategies / short term commercial decisions to improve / sustain market share, changing market dynamics, local competitive scenario, economic / regulatory conditions affecting the global / domestic industry, may impact profitability but may not have a bearing on the otherwise arm's length nature of the transaction.

A standard template w.r.t information to be placed before the Committee is part of this policy as Annexure-2.

Omnibus Approval

For granting omnibus approval, the committee shall specify the following details:

a. Name of the related party;

b. Nature of the transaction;

c. Period of the transaction;

d. Maximum amount of the transactions that can be entered into;

e. Indicative base price / current contracted price and formula for variation in price, if any;

f. Justification for the omnibus approval.

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction for the specific period approved.

The Audit Committee shall, review quarterly and take note of all Related Party Transactions for which omnibus approval has been granted by the Audit Committee.

The omnibus approval shall be valid for a period of one financial year however subject to quarterly review and fresh approval shall be obtained after the expiry of one year.

8. Approval by the Board:

If the Committee determines that a Related Party Transaction should be brought before the Board or a Related Party Transaction is not in the Ordinary Course of Business or not at Arms' Length or is a material related party transaction or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting.

The Board shall take note of all transactions approved by the Audit committee.

9. Approval by Shareholders

The Board of Directors of the Company shall mandatorily place before the members of the Company, all Material RPTs and obtain their approval prior to undertaking such transactions.

Except with the prior approval of the Shareholders by a resolution, a company shall not enter into any RPTs as mandated under Section 188 of Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and/or material related party transactions as stipulated in Regulation 23 of SEBI Listing Regulations.

In all cases, where shareholders' approval is necessary for any RPT, the Company Secretary shall ensure that the agenda of the Board meeting at which the resolution is proposed to be moved shall disclose-

a. All the information provided by the management of the Company to the Audit Committee;

b. Any other information that may be relevant.

The Company Secretary shall ensure that the explanatory statement to be annexed to the notice of a general meeting convened for obtaining approval of members in relation to the proposed RPTs shall contain the following particulars:

a. Summary of the information provided by the management of the Company to the Audit Committee;

b. Justification for why the proposed transaction is in the interest of the Company;

c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details placed before the Audit Committee except the information on source of funds and cost of funds.

d. A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;

e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;

f. Any other information that may be relevant.

The Board shall be ultimately responsible for seeking approvals from shareholders as per the requirements of Applicable Laws which may vary from time to time.

Transactions that require prior approval of Shareholders of MAFIL:

Related Party Transactions to which AMFL is a party but MAFIL is not a party, shall require prior approval of shareholders of MAFIL, if transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of MAFIL as per the last audited financial statements of the company or ₹1,000 Crores, whichever is less.

10. Disclosure, recording and reporting of Related Party Transactions:

a. Company shall disclose each year in the Audited Financial Statements transactions with Related Parties as prescribed in the applicable Accounting Standard as well as accounting policies governing transactions with Related Parties.

b. Disclosure in the Board's Report to the shareholders shall be made as prescribed under Companies Act, 2013/ SEBI Listing Regulations.

c. Company shall submit along with publication of half yearly financial results, disclosures of all RPTs, in the format specified by SEBI to the stock exchanges and publish the same on its website.

d. The Company Secretary shall make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

11. Policy on Loan to Directors as per RBI directives

In addition to the provisions of Companies Act, 2013 and SEBI Listing Regulations, as per provisions of RBI's DOR. CRE.REC.No.25/03.10.001/2022-23, dated April 19, 2022,

11.1 Loans and advances to Directors - Company shall not grant ₹ 5 Cr & above loans and advances unless sanctioned by the Board of Directors / Committee of Directors, to -

i) its directors (including the Chairman/ Managing Director) or relatives of directors.

ii) any firm in which any of its directors or their relatives is interested as a partner, manager, employee or guarantor.

iii) any company in which any of its directors, or their relatives is interested as a major shareholder, director, manager, employee or guarantor.

A director or his relatives shall be deemed to be interested in the company, being the subsidiary or holding company, if he is a major shareholder or is in control of the respective holding or subsidiary company.

The director who is directly or indirectly concerned or interested in any proposal should disclose the nature of his interest to the Board when any such proposal is discussed. He should recuse himself from the meeting unless his presence is required by the other directors for the purpose of eliciting information and the director so required to be present shall not vote on any such proposal.

The proposals for credit facilities of an amount less than ₹ 5 Cr may be sanctioned by the appropriate authority in the NBFC under powers vested in such authority but should be reported to the Board.

11.2 Loans and advances to Senior Officers – Company shall abide by the following when granting loans and advances to its senior officers:

i) Loans and advances sanctioned to senior officers shall be reported to the Board.

ii) No senior officer or any Committee comprising, *inter alia*, a senior officer as member, shall, while exercising powers of sanction of any credit facility, sanction any credit facility to a relative of that senior officer. Such a facility shall be sanctioned by the next higher sanctioning authority under the delegation of powers.

In respect of grant of loans and advances to directors / senior officers and their relatives:-

i) Company shall obtain a declaration from the borrower giving details of the relationship of the borrower to their directors/ senior officers for loans and advances aggregating ₹ 5 Cr & above. NBFCs shall recall the loan if it comes to their knowledge that the borrower has given a false declaration.

The above norms relating to grant of loans and advances will equally apply to awarding of contracts.

The term 'loans and advances' will not include loans or advances against :-

a) Government securities

b) Life insurance policies

c) Fixed deposits

d) Stocks and shares

e) Housing loans, car advances, etc. granted to an employee of the NBFC under any scheme applicable generally to employees.

Provided that NBFC's interest/lien is appropriately marked with legal enforceability.

12. Dissemination of Policy:

Either this Policy or the important provisions of this policy shall be disseminated to all functional and operational heads and other concerned persons of the Company and website of the Company and web link thereto shall be provided in the annual report of the Company.

13. Policy Review:

Board shall review the overall policy once in three years and modify or update the same in accordance with the changes to the threshold limits or as may be required by the amendments to Applicable Laws.

Annexure-1

Form RPT

To,
The Company Secretary & Compliance Officer
Asirvad Micro Finance Limited
9th Floor, No.9, Club House Road
Anna Salai, Chennai,
Tamil Nadu, PIN - 600002

Dear Sir,

A. I, _____, S/o/W/o/D/o of _____, resident of ____, holding __ Shares (equity) of ₹10/- each as on 31/03/____ in the Company in my name, being a Director in the Company, hereby give notice that I am interested directly/through my Relatives (Schedule) in the following private company or companies or firms:

Sr. No.	Name of the Private Companies / Partnership Firms	Nature of Interest or concern / Change in Interest or Concern	Shareholding	Date on which Interest or Concern arose/changed

B. The following Public Companies in which I am a Director and holds along with my Relatives (Schedule) more than 2% of paid up share capital as on the end of this financial year:

Sr. No.	Name of the Public Companies holding more than 2% of paid up share capital	Shareholding	Date on which Interest or Concern arose/changed

C. The Following are the Bodies Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with any advice, directions or instructions of mine:

Sr. No.	Name of the Body Corporate

D. I am accustomed to act on the advice, directions or instructions of the following persons (other than advice, directions or instructions obtained in professional capacity).

Sr. No.	Name of the person	Relation

E. The following are Bodies Corporate or association of individuals in which I am or my Relatives (Schedule) interested as a Director of Body Corporate or Member of Association:

Sr. No.	Name of the Bodies Corporate / Association of Individuals	Nature of Interest or concern / Change in Interest	Date on which Interest or Concern arose / changed

Signature: _____
Name: _____
Designation: Director
DIN No: ____

Place: _____
Date: ___

Schedule to Form RPT

LIST OF RELATIVES

Sr. No.	Relationship	Full Name	Address	Shareholding in the Company
1	Spouse			
2	Father (including Step-Father)			
3	Mother (including Step-Mother)			
4	Son (including Step-son)			
5	Son's Wife			
6	Daughter			
7	Daughter's Husband			
8	Brother (Including Step-Brother)			
9	Sister (Including Step-Sister)			
10	Members of HUF			

Signature: _____
Name: _____
Designation: Director
DIN No: ____

Place: _____
Date: ___

Annexure-2

Disclosure to be placed before Audit Committee:

Sr. No.	Particulars	Information
1.	Name of the Product/Service	
2.	Name of the Related Party	
3.	Relationship of Related Party with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	
4.	Type/ Nature of the proposed transaction	
5.	Material terms and particulars of the proposed transaction	
6.	Tenure/ Term of the proposed transaction (particular tenure shall be specified)	
7.	Value of the proposed transaction	
8.	The percentage of the Company's turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	
9A.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company then source of funds in connection with the proposed transaction	
9B.	Where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments: ◆ Nature of indebtedness ◆ Cost of funds ◆ tenure	
9C.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;	
9D.	Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	
10.	Justification as to why the RPT is in the interest of the Company	
11.	A copy of the valuation or other external party report, if any such report has been relied upon	
12.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis (If available)	
13.	Brief details of the Arm's length test conducted	
14.	Ordinary Course or not	
15.	Necessity of entering into the transaction	
16.	Does the transaction require prior approval of MAFIL Audit Committee a) Does it exceed 10% of consolidated turnover of MAFIL b) Does it exceed 10% of standalone turnover of AMFL	
17.	Does the transaction require prior approval of MAFIL Shareholders	
18.	Any other information that may be relevant	
19.	Test for subsequent materiality of the transaction taken together with other transactions carried out in the Financial Year with the subject related party Value of all transactions entered in the current financial year Versus 10% of annual consolidated turnover	

Annexure-C

Corporate Governance Report

Company's Philosophy on Code of Governance

A good Corporate Governance practice is a key factor of sustainable corporate growth and maintains a long term relationship with the stakeholders of the Company. Asirvad Micro Finance limited ("Asirvad" or "Company") is committed to the highest level of Corporate Governance practices and emphasizes the need for full transparency and accountability in all transactions, in order to protect the interests of its stakeholders.

Asirvad believes that a strong, professionally balanced Board of Directors is necessary to ensure the highest standards of Corporate Governance. We have an appropriate mix of Executive/ Non-Executive and Independent Directors in our Board. The Board of Directors represents the shareholder's interest in perpetuating a successful business and optimizing long term financial returns in a manner consistent with applicable regulatory and legal requirements and ethical considerations.

Applicability of SEBI (Listing Regulations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR")

The requirements of Regulations 17 to 27 of SEBI LODR are applicable to Asirvad Micro Finance.

Even though the requirement is on a comply or explain basis, your Company has adhered to the requirements.

Additionally, the extant regulations and circulars of SEBI LODR pertaining to listed Non-Convertible Securities are applicable to the Company.

RBI Guidelines on Corporate Governance

In order to enable NBFCs to adopt best practices and greater transparency in their operations, RBI has stipulated all NBFCs to frame an internal guideline on Corporate Governance. In pursuance of the aforesaid guidelines, the Company has framed the Policy of Internal guidelines on Corporate Governance and reviews and updates the same periodically.

Company's Philosophy on Corporate Governance

In terms of corporate governance philosophy, all statutory and significant material information is placed before the Directors to enable them to effectively supervise the Company.

Asirvad 's Corporate Governance philosophy is based on the following principles:

- Compliance to law in both letter and spirit
- Utmost transparency in dealings with all the stakeholders
- Clear communication of relevant information and high degree of disclosure levels
- Make a clear distinction between personal conveniences and corporate resources
- Communicate externally, in a truthful manner, about how the Company is running internally
- Have a simple, transparent and efficient corporate structure driven solely by business needs
- Create value for all stakeholders without compromising on ethical principles.

Board of Directors

As on March 31, 2024, your Company's Board consists of 11 (Eleven) members. The composition of the Board is in conformity with the provisions of Companies Act, 2013 ("Act"), SEBI LODR and Reserve Bank of India.

The Board of Directors met thirteen times in the financial year 2023-24 on the following dates: May 09, 2023, June 14, 2023, June 30, 2023, August 07, 2023, August 16, 2023, August 26, 2023, September 22, 2023, October 03, 2023, November 11, 2023, January 15, 2024, February 05, 2024, February 13, 2024 and March 16, 2024

Composition and Category of Directors as on March 31, 2024:

Name of Director	Director Since	DIN	Category and Designation
Mr. V P Nandakumar	12/02/2015	00044512	Promoter, Non- Executive, Non-Independent Director (Chairman)
Mr. Abhijit Sen	17/03/2020	00002593	Non- Executive, Independent Director
Ms. Anita Belani	13/01/2023	01532511	Non- Executive, Independent Director
Mr. B N Raveendra Babu	12/02/2015	00043622	Executive, Non-Independent, Managing Director
Mr. D R Dogra	09/09/2016	00226775	Non- Executive, Independent Director
Mr. Gautam Saigal	18/03/2015	00640229	Non- Executive, Non-Independent Director
Mr. Harshan Kollara	07/08/2021	01519810	Non- Executive, Independent Director
Ms. Pushya Sitaraman	02/02/2019	06537196	Non- Executive, Independent Director
Mr. S K Mitra	17/03/2020	00029961	Non- Executive, Independent Director
Mr. S V Raja Vaidyanathan	29/08/2007	01467098	Non- Executive, Non-Independent Director
Mr. T Balakrishnan	15/05/2018	00052922	Non- Executive, Independent Director

Attendance during the financial year 2023-24 of each Director at the Board Meetings as well as previous Annual General Meeting are as follows:

Sl. No.	Name of the Director	Category and Designation	Attended (Board meeting)	Attended last AGM held on August 16, 2023
1.	Mr. V P Nandakumar	Promoter, Non- Executive, Non-Independent Director (Chairman)	13	YES
2.	Mr. Abhijit Sen	Non- Executive, Independent Director	13	YES
3.	Ms. Anita Belani	Non- Executive, Independent Director	10	YES
4.	Mr. A Ramanathan*	Non- Executive, Independent Director	9	YES
5.	Mr. B N Raveendra Babu	Executive, Non-Independent, Managing Director	13	YES
6.	Mr. D R Dogra	Non- Executive, Independent Director	12	YES
7.	Mr. Gautam Saigal	Non- Executive, Non-Independent Director	13	YES
8.	Mr. Harshan Kollara	Non- Executive, Independent Director	12	YES
9.	Ms. Pushya Sitaraman	Non- Executive, Independent Director	12	YES
10.	Mr. S K Mitra	Non- Executive, Independent Director	12	YES
11.	Dr. Sumitha Nandan**	Non-Executive, Non-Independent Director	5	NO
12.	Mr. S V Raja Vaidyanathan	Non- Executive, Non-Independent Director	13	YES
13.	Mr. T Balakrishnan	Non- Executive, Independent Director	13	YES
14.	Mr. T M Manoharan***	Non- Executive, Independent Director	0	NO

*Retired from the position of the Independent Director on completion of his second term of Office as an Independent Director of the Company with effect from the closing of business hours on November 30, 2023.

**Appointed as Additional Director in the category of Non-Executive, Non-Independent Director of the Company at board meeting held on September 22, 2023 and subsequently, the shareholders at their extra ordinary general meeting held on October 03, 2023 has approved her appointment as Non-Executive, Non-Independent Director. She has resigned from the Board with effect from February 13, 2024.

***Resigned from the Board due to health issues with effect from July 15, 2023.

Details of change in composition of the Board during the current (FY 2024) and previous financial year (FY 2023)

Sl. No.	Name of the Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter Nominee/ Independent)	Nature of change (Resignation, Appointment)	Effective Date
1	Mr. Subrata Kumar Atindra Mitra (DIN: 00029961)	Independent & Non-Executive Director	Re-appointment	January 01, 2023
2	Ms. Anita Belani (DIN: 01532511)	Independent & Non-Executive Director	Appointment as Independent & Non-Executive Director	January 13, 2023
3	Mr. Thotanchath Balakrishnan (DIN: 00052922)	Independent & Non-Executive Director	Re-appointment	May 15, 2023
4	Mr.Manoharan Makkunni Thanniyath (DIN: 00225640)	Independent & Non-Executive Director	Re-appointment	May 15, 2023
5	Mr. Manoharan Makkunni Thanniyath (DIN: 00225640)	Independent & Non-Executive Director	Resignation	July 15, 2023
6	Dr. Sumitha Nandan (DIN: 03625120)	Non-Executive and Non-Independent Director	Appointment as Additional Director	September 22, 2023
7	Dr. Sumitha Nandan (DIN: 03625120)	Non-Executive and Non-Independent Director	Appointment as Non-Executive and Non-Independent Director	October 03, 2023
8	Mr. Ramanathan Annamalai (DIN: 02645247)	Independent & Non-Executive Director	Retired from the position of the Independent Director on completion of his second term	November 30, 2023
9	Dr. Sumitha Nandan (DIN: 03625120)	Non-Executive and Non-Independent Director	Resignation	February 13, 2024

The details of Shareholding, Directorship and Chairmanship/Membership of Committees as on March 31, 2024

Sl. No.	Name of the Director	Number of Directorships	Member-ships in Audit / Stakeholders Relationship Committee**	Chairmanships in Audit / Stakeholders Relationship Committee**	Shareholding of Directors	Category of directorship and Names of listed entities where person is a director*
1.	**Mr. V P Nandakumar** Chairman	18	3	0	7,78,209	1. Manappuram Finance Limited - Managing Director
2.	**Mr. B N Raveendra Babu** Managing Director	1	1	0	1,88,466	-
3.	**Mr. Abhijit Sen** Independent Director	7	5	3	-	1. Kalyani Forge Limited - Independent Director 2. Manappuram Finance Limited- Independent Director 3. Tata Investment Corporation Limited -Independent Director
4.	**Ms. Anita Belani** Independent Director	8	6	0	-	1. Foseco India Limited – Independent Director 2. Redington Limited - Independent Director 3. IDFC Limited - Independent Director
5.	**Mr. D R Dogra** Independent Director	10	4	3	89,472	1. S Chand and Company Limited - Independent Director 2. IFB Industries Ltd - Independent Director 3. Capri Global Capital Limited - Independent Director 4. Axiscades Technologies Limited - Independent Director 5. G R Infraprojects Limited - Independent Director
6.	**Mr. Gautam Saigal** Non-Executive, Non-Independent Director	4	2	1	1,54,005	-
7.	**Mr. Harshan Kollara** Independent Director	2	3	1	-	1. Manappuram Finance Limited, Independent Director
8.	**Ms. Pushya Sitaraman** Independent Director	6	3	1	-	1. The Western India Plywoods Limited - Independent Director
9.	**Mr. S K Mitra** Independent Director	9	8	4	-	1. IL&FS Engineering and Construction Company Limited - Independent Director 2. IL&FS Transportation Networks Limited – Non-Executive, Non Independent Director 3. Centrum Capital Limited - Independent Director 4. AGS Transact Technologies Limited - Independent Director
10.	**Mr. S V Raja Vaidyanathan** Non-Executive, Non-Independent Director	7	1	0	33,59,202	-
11.	**Mr. T Balakrishnan** Independent Director	8	6	2	-	1. The Western India Plywoods Limited - Independent Director

*As required by Clause 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures includes the number and name of listed entities on which a person is a director / independent director only those whose equity shares are listed on a stock exchange

**As required by Clause 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures include Membership/ Chairpersonship of Audit Committee and Stakeholders Relationship Committee of Companies are shown.

During the year, Dr. Sumitha Nandan, daughter of Mr. V. P. Nandakumar was appointed as Additional Director in the category of Non-Executive, Non-Independent Director of the Company at board meeting held on September 22, 2023 and subsequently, the shareholders at their extra ordinary general meeting held on October 03, 2023 has approved her appointment as Non-Executive Non-Independent Director. She has resigned from the Board with effect from February 13, 2024.

As on March 31, 2024, there is no relationship between Directors inter se.

Familiarization Program for Independent Directors

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarize its Independent Directors about the Company, its financial products, the industry and business model of the Company. The Company has conducted two program during the financial year 2023-24. The details of the same uploaded in the company's website at the web link: https://asirvadmicrofinance.co.in/familiarization-programmes/

None of the Directors of the Company have exceeded the maximum number of Directorship as specified under Section 165 of the Companies Act, 2013.

The brief profiles of Directors are also available on the website of the Company https://asirvadmicrofinance.co.in/board-of-directors/

Pursuant to Clause C(2)(i) of Schedule V of Listing Regulations, in the opinion of the Board, the independent directors fulfill the conditions as specified in the Listing Regulations and are independent of the management.

Separate meeting of the Independent Directors

A Separate Meeting of the Independent Directors was held on March 29, 2024, without the presence of Non-Independent Directors and members of Management. All the Independent Directors attended the meeting and inter alia:

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Committees of the Board

In compliance with extant statutes applicable and to focus effectively on the various roles and ensure expedient resolution of diverse matters, the Board has constituted the following set of Committees with specific terms of reference / scope. The Committees are operating as empowered agents of the Board as per their Charter / terms of reference.

Audit Committee

The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise internal controls and financial reporting processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The Audit Committee met eleven times on the following dates during the financial year 2023-24 on May 04, 2023, May 08, 2023, June 27, 2023, July 31, 2023, August 05, 2023, October 03, 2023, November 06, 2023, December 14, 2023, December 30, 2023, February 03, 2024 and March 15, 2024.

Composition of the Audit Committee as on March 31, 2024, is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Position and Category
Mr. D R Dogra	February 01, 2017	11	Chairman, Independent Director
Mr. Abhijit Sen	March 17, 2020	11	Member, Independent Director
Mr. Harshan Kollara	November 12, 2021	11	Member, Independent Director
Mr. Gautam Saigal	May 12, 2015	11	Member, Non-Executive, Non-Independent Director
Mr. S V Raja Vaidyanathan	July 01, 2021	10	Member, Non-Executive, Non-Independent Director
Mr. T Balakrishnan	May 15, 2018	11	Member, Independent Director

Role of Audit Committee Includes

(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 the Company;

(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 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;

(i) scrutiny of inter-corporate loans and investments;

(j) valuation of undertakings or assets of the Company, wherever it is necessary;

(k) evaluation of internal financial controls and risk management systems;

(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 there on;

(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) to review the functioning of the whistle blower mechanism;

(s) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(t) carrying out any other function as is mentioned in the terms of reference of the audit committee;

(u) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹100 crore 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) 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

(y) 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) 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) 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.

Nomination and Remuneration Committee

The Board has constituted the Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013 and SEBI LODR.

Role of Nomination and Remuneration Committee Includes

The primary purpose of the Committee, among other things, is to determine and propose the following for Board's approval: -

a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.

b) formulation of criteria for evaluation of performance of independent directors and the Board;

c) 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 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.

d) devising a policy on Board diversity;

e) 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;

f) 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;

g) recommend to the Board, all remuneration, in whatever form, payable to senior management; and

(h) 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.

(i) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws ("ESOP Scheme")

i. Determining the eligibility of employees to participate under the ESOP Scheme;

ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

iii. Date of grant;

iv. Determining the exercise price of the option under the ESOP Scheme;

v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

x. The grant, vest and exercise of option in case of employees who are on long leave;

xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;

xii. The procedure for cashless exercise of options;

xiii. Forfeiture/ cancellation of options granted;

xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and

- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(j) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme

(k) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Nomination and Remuneration Committee met five times on the following dates during the financial year 2023-24: May 09, 2023, July 28, 2023, September 22, 2023, October 31, 2023 and January 30, 2024.

Composition of the Nomination and Remuneration Committee as on March 31, 2024 is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Mr. T Balakrishnan	May 15, 2018	5	Chairman, Independent Director
Ms. Anita Belani*	May 09, 2023	4	Member, Independent Director
Mr. Harshan Kollara**	December 01, 2023	1	Member, Independent Director
Mr. Gautam Saigal	March 04, 2016	4	Member, Non-Executive, Non-Independent Director
Ms. Pushya Sitaraman	May 30, 2020	5	Member, Independent Director

*Appointed as Member with effect from May 09, 2023

**Appointed as Member with effect from December 01, 2023.

***Mr. A Ramanathan was member of the Committee until the closing of business hours on November 30, 2023 and attended 4 meetings of the Committee during the financial year 2023-24.

CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The criteria and manner for evaluation of performance of Independent Directors provide certain parameters including:

- Understanding and knowledge of the entity in which it operates and the applicable regulatory norms
- Constructive and analytical decision making abilities and core competencies for effective functioning of the Board
- Understanding of the risk attached with the business structure
- Availability for meetings of the Board and attendance in the meeting of Committees regularly and timely, without delay
- Level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)
- Participation in decisions taken during meetings are unbiased, based on ethical judgment and are in strict conformity to the applicable regulatory norms
- Commitment to ensure that there is fairness and integrity in the Company, in letter as well as spirit
- Exercise of own judgment and voicing of opinion freely

The Board has completed the performance evaluation of directors as per requirement of law. The Independent directors fulfilled the requirement of independence as laid down in the Act and SEBI LODR and are independent of management.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted pursuant to Section 178 of the Companies Act, 2013 read with rules made thereunder and SEBI LODR.

Role of Stakeholders Relationship Committee Includes

The role of the Committee, inter-alia, shall include the following:

- 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 & Share Transfer Agent
- Review of the various measures and initiatives taken by the Company for ensuring timely receipt of annual reports/statutory notices by the security holders of the Company.
- Review of all communications to security holders mandated by LODR and Companies Act, 2013

During the financial year 2023-24, the Stakeholder Relationship Committee met twice on the following dates: July 28, 2023 and February 01, 2024.

Composition of the Stakeholder Relationship Committee as on March 31, 2024 is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Mr. Harshan Kollara*	March 23, 2023	2	Chairman, Independent Director
Mr. S K Mitra**	May 24, 2021	2	Member, Independent Director
Mr. B N Raveendra Babu	May 24, 2021	2	Member, Managing Director
Ms. Pushya Sitaraman	May 24, 2021	2	Member, Independent Director

* Member and Chairman of Stakeholder Relationship Committee with effect from May 09, 2023.

** Chairman of Stakeholder Relationship Committee upto May 09, 2023.

*** Mr. T.M. Manoharan was a member of Stakeholder Relationship Committee upto May 09, 2023 and did not attend any meetings during the financial year 2023-24.

Name, designation and address of Compliance Officer:

Ms. Aparna Menon
Company Secretary
Asirvad Micro Finance Limited
9th Floor, No.9, Club House Road, Anna Salai- Chennai- 600002
Ph: 04873050285
Email ID: sec@asirvad.in

There are no complaints received from the security holders during the financial year 2023-24.

Risk Management Committee

The risk management framework is an important parameter that define the success of a financial services organization. A risk management programme establishes a process of identifying and assessing the major risks covering all areas of the institution's activities. The Board of Directors is responsible to ensure that management has implemented a risk management programme, that resources are allocated for risk management and internal controls, and that there is adequate oversight of the audit function as one of the Board of Director's responsibilities. The Board has constituted Risk Management Committee to ensure proper management of risk in the Company.

The Risk Management Committee met five times on following dates during the financial year 2023-24: May 06, 2023, August 02, 2023, November 02, 2023, January 31, 2024 and February 19, 2024.

Composition of the Risk Management Committee as on March 31, 2024 is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Mr. Gautam Saigal	March 04, 2016	5	Chairman, Non-Executive, Non-Independent Director
Mr. Abhijit Sen	May 30, 2020	5	Member, Independent Director
Ms. Anita Belani*	May 09, 2023	2	Member, Independent Director
Mr. B N Raveendra Babu	May 30, 2020	5	Member, Managing Director
Mr. D R Dogra	September 09, 2016	5	Member, Independent Director
Mr. S V Raja Vaidyanathan	November 06, 2014	4	Member, Non-Executive, Non-Independent Director
Mr. Satheesh Kumar Chalasani**	November 11, 2023	2	Non-Board Member, Chief Risk Officer

* Member of Risk Management Committee with effect from May 09, 2023.

**Mr. S. Umasankar has resigned from the position of Chief Risk Officer ("CRO") with effect from May 05, 2023, Mr. Nandagopalan G has appointed as Chief Risk Officer ("CRO") with effect from May 09, 2023 and has attended one meeting of the Risk Management Committee as CRO. Mr. Nandagopalan G has resigned from the position with effect from August 10, 2023. Mr. Satheesh Kumar Chalasani has appointed as Chief Risk Officer ("CRO") with effect from November 11, 2023 .

*** Mr. T.M. Manoharan was a member of Risk Management Committee upto May 09, 2023 and did not attend any meetings during the financial year 2023-24

Role of Risk Management Committee Includes

The role of the Risk Management Committee, inter-alia, shall include the following:

- To formulate a detailed Risk Management Policy, which shall cover the following:
  a. 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, cyber security risks or any other risk as may be determined by the Committee;
  b. Measures for risk mitigation including systems and processes for internal control of identified risks;
  c. Business continuity plan
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- Identification, monitoring and measurement of the risk profile of the Company (including market risk, operational risk, compliance risk, credit risk, transactional risk etc.);
- overseeing its integrated risk measurement system;
- to analyze the critical decision for investments and corporate lending;
- Perform such other act, including the acts and functions stipulated by RBI and any other regulatory authority, as prescribed from time to time.

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee ("CSR Committee"). The Committee has formulated and recommended a CSR Policy to the Board and various recommendations of the Committee including the amount of expenditure to be incurred on CSR activities. The Committee has framed a transparent monitoring mechanism for implementation of CSR projects or programs as per the Annual Action Plan of the Company and monitors CSR policy from time to time.

The Corporate Social Responsibility Committee met four times on below mentioned dates during the financial year 2023-24: May 04, 2023, August 01, 2023, October 31, 2023 and January 29, 2024.

Composition of the Corporate Social Responsibility Committee as on March 31, 2024, is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Ms. Pushya Sitaraman	May 13, 2019	4	Chairperson, Independent Director
Mr. B N Raveendra Babu	February 01, 2017	4	Member, Managing Director
Mr. D R Dogra	July 01, 2021	4	Member, Independent Director
Mr. T Balakrishnan	July 01, 2021	4	Member, Independent Director

Role of CSR Committee Includes

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- Monitor the CSR Policy of the Company from time to time;
- Formulation of Annual Action Plan in accordance with CSR Policy

IT Strategy Committee

IT Strategy Committee was constituted as per the applicable RBI directives. The Constitution of IT Strategy Committee is mandatory for the Company.

During the financial year 2023-24, the IT Strategy Committee met five times on the following dates: June 24, 2023, July 29, 2023, November 01, 2023, December 18, 2023 and March 04, 2024.

Composition of the IT Strategy Committee as on March 31, 2024, is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Mr. S K Mitra	March 17, 2020	5	Chairman, Independent Director
Mr. Abhijit Sen	July 01, 2021	5	Member, Independent Director
Mr. B N Raveendra Babu	May 13, 2019	5	Member, Chief Information Officer, Managing Director
Mr. S V Raja Vaidyanathan	November 04, 2017	4	Member, Non-executive, Non-Independent Director
Mr. Joshy K G	March 14, 2022	5	Member, Chief Technology Officer

Borrowing & Securities Allotment Committee

The Borrowing & Securities Allotment Committee is in place inter alia to approve fresh borrowings from banks and financial institutions and also to empower designated individuals in the senior management to finalize the terms and conditions relating to the proposal under consideration and for allotment of Securities.

The Borrowing & Securities Allotment Committee met twenty nine times on the following dates during the financial year 2023-24: April 19, 2023, May 02, 2023, May 16, 2023, May 24, 2023, June 03, 2023, June 15, 2023, June 24, 2023, June 29, 2023, June 30, 2023, July 07, 2023, July 10, 2023, July 20, 2023, August 10, 2023, August 25, 2023, August 31, 2023, September 13, 2023, September 21, 2023, September 26, 2023, October 19, 2023, October 26, 2023, November 18, 2023, November 29, 2023, December 13, 2023, December 29, 2023, January 09, 2024, January 29, 2024, February 28, 2024, March 04, 2024 and March 14, 2024.

Composition of the Borrowing & Securities Allotment Committee as on March 31, 2024, is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Mr. B N Raveendra Babu	February 19, 2015	29	Chairman, Managing Director
Mr. T Balakrishnan*	February 05, 2024	3	Member, Independent Director
Mr. S V Raja Vaidyanathan	April 25, 2009	29	Member, Non- Executive, Non-Independent Director
Mr. V P Nandakumar	February 19, 2015	29	Non-Executive, Non-Independent Director

* Appointed as Member of Borrowing & Securities Allotment Committee with effect from February 05, 2024.

**Mr. A Ramanathan was member of the Committee until the closing of business hours on November 30, 2023 and attended 22 meetings of the Committee during the financial year 2023-24.

*** Dr. Sumitha Nandan was appointed as member of Borrowing & Securities Allotment Committee with effect from December 01, 2023, until the closing of business hours on February 13, 2024. She attended 4 meetings of the Committee during the financial year 2023-24.

Management Committee

For ensuring effective management of overall operations of the Company, the Management Committee was constituted. The said Committee meets from time to time for monitoring the activities of various departments of the Company in order to give a high-level strategy for the functioning of business. The said Committee meets from time to time for monitoring the activities of various departments of the Company in order to ascertain that procedures/ codes of the Company are adhered effectively.

During the Financial Year, the said Committee met twice i.e., on June 07, 2023, and March 15, 2024.

Further, the composition of Management Committee as on March 31, 2024, is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Mr. V P Nandakumar	July 01, 2021	2	Chairman, Non-Executive, Non-Independent Director
Mr. Abhijit Sen	March 17, 2020	2	Member, Independent Director
Mr. B N Raveendra Babu	May 13, 2019	2	Member, Managing Director
Mr. D R Dogra	February 01, 2017	2	Member, Independent Director
Mr. Gautam Saigal	May 12, 2015	2	Member, Non-Executive, Non-Independent Director
Mr. Harshan Kollara	November 12, 2021	2	Member, Independent Director
Mr. S V Raja Vaidyanathan	September 07, 2009	2	Member, Non-Executive, Non-Independent Director

IPO Committee

The IPO Committee was constituted by the Board of Directors on September 22, 2023, for the purpose of issue and listing the Equity Shares on one or more of the Stock Exchanges.

During the financial year 2023-24, the IPO Committee met thrice on the following dates: October 04, 2023, January 06, 2024 and February 15, 2024.

Composition of the IPO Committee as on March 31, 2024, is as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Mr. V P Nandakumar	September 22, 2023	2	Chairman, Non-Executive, Non-Independent Director
Mr. B N Raveendra Babu	September 22, 2023	3	Member, Managing Director
Mr. D R Dogra	September 22, 2023	2	Member, Independent Director
Mr. Gautam Saigal	September 22, 2023	3	Member, Non-Executive, Non-Independent Director

Asset Liability Committee

Asset Liability Committee is an executive committee comprising of the management team, constituted to inter alia monitor the asset liability gap, strategize action to mitigate the risk associated, ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives.

During the financial year 2023-24, the Asset Liability Committee met Twelve times on the following dates: April 11, 2023, May 15, 2023, June 19, 2023, July 19, 2023, August 28, 2023, September 20, 2023, October 27, 2023, November 16, 2023, December 22, 2023, January 25, 2024, February 23, 2024 and March 21, 2024.

Composition of the Asset Liability Committee as on March 31, 2024 are as follows:

Name of the Director	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2023-24	Category
Mr. B N Raveendra Babu	May 30, 2020	12	Chairman, Managing Director
Mr. Chintha Prasad	November 07, 2022	12	Member, CEO-MFI
Mr. Satheesh Kumar Chalasani*	November 11, 2023	7	Member, CRO
Mr. Rajesh KRN Namboodiripad	May 17, 2022	12	Member and Secretary of the Committee, CFO

*Mr. S. Umasankar has resigned from the position of Chief Risk Officer ("CRO") with effect from May 05, 2023 and attended 1 meeting of ALCO in the financial year 2023-24.

Mr. Nandagopalan G was appointed as Chief Risk Officer ("CRO") with effect from May 09, 2023 and attended 3 meetings of ALCO in the financial year 2023-24. Mr. Nandagopalan G has resigned from the position with effect from August 10, 2023.

Mr. Satheesh Kumar Chalasani was appointed as Chief Risk Officer ("CRO") with effect from November 11, 2023.

Senior management

Particulars of senior management including the changes therein since the close of the previous financial year.

Senior Management	As on March 31, 2024	Changes happened during the year
CEO-MFI	Mr. Chintha Prasad	Change in designation from Head- Collection and Disbursement of MFI to CEO-MFI
CFO	Mr. Rajesh K R N Namboodiripad	No Change
Business Head Gold Loan	Mr. Muthu Bhaskar	No Change
HR Head	Mr. Shyju K	Ms. Neena K P *(upto July 25, 2023)* Mr. Shyju K *(from August 07, 2023)*
CCO	Mr. Sugesh Ram K S	No Change
CS	Ms. Aparna Menon	No Change
CTO	Mr. Joshy K G	No Change
CRO	Mr. Satheesh Kumar Chalasani	Mr. S. Umasankar *(Upto May 05, 2023)* Mr. Nandagopalan G. *(from May 09, 2023 to August 10, 2023)* Mr. Satheesh Kumar Chalasani *(from November 11, 2023)*
Head of Internal Audit	Ms. Jiji Joseph	Mr. R. Nandakumar *(upto May 08, 2023)* Ms. Jiji Joseph *(from May 09, 2023)*
CISO	Mr. Adinadh K R	No Change
CIRO	Mr. Basavraj Shetty	Mr. Basavraj Shetty *(from November 11, 2023)* Addition during the year

Remuneration to Directors

Details of remuneration of the Directors for the financial year ended March 31, 2024:

(₹ In Lakhs, unless otherwise mentioned)

Name of the Directors	Salary, Perquisite & Pension	Sitting Fee	Commission for the year ended March 31, 2024 approved by the Board of Directors (excluding GST)	Stock Options	Shareholding (Equity) (No.)
Mr. V P Nandakumar	-	-	-	-	7,78,209
Mr. S V Raja Vaidyanathan	-	10.10	14	-	33,59,202
Mr. B N Raveendra Babu	144.34	-	60	-	1,88,466
Mr. Gautam Saigal	-	8.59	17.50	-	1,54,005
Mr. T Balakrishnan	-	8.38	17.50	-	-
Mr. A Ramanathan*	-	4.88	-	-	1,14,600
Mr. D R Dogra	-	8.28	19.50	-	89,472
Mr. T M Manoharan**	-	-	-	-	-
Ms. Pushya Sitaraman	-	5.70	17.50	-	-
Mr. S K Mitra	-	5.13	17.50	-	-
Mr. Abhijit Sen	-	8.77	14	-	-
Mr. Harshan Kollara	-	7.35	17.50	-	-
Ms. Anita Belani	-	4.29	14	-	-
Dr. Sumitha Nandan***	-	-	-	-	-

*Retired from the position of the Independent Director on completion of his second term of Office as an Independent Director of the Company with effect from the closing of business hours on November 30, 2023.

**Resigned from the Board due to health issues with effect from July 15, 2023.

***Appointed as Additional Director in the category of Non-Executive, Non-Independent Director of the Company at board meeting held on September 22, 2023 and subsequently the shareholders at their extra ordinary general meeting held on October 03, 2023 has regularized her appointment as Non-Executive, Non-Independent Director. She resigned from the Board with effect from February 13, 2024.

Criteria of making payments to Non-Executive Directors

While considering the level of commission payable to the independent, non-executive directors, the Nomination and Remuneration Committee takes into account various factors such as attendance, level of participation, contribution to the meetings and its decision making, continuity on the Board, fit and proper status and feedback of performance appraisal questionnaire, etc.

For the Financial Year 2024, the Nomination and Remuneration Committee and the Board considered the performance of Non- executive Directors across the different parameters, identified and fixed a base commission for Non- executive Directors and an additional commission for Chairpersons of statutory Committees.

Disclosures with respect to Remuneration

Executive Directors

Mr. B N Raveendra Babu, Managing Director

i. all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;

Remuneration paid for FY 2024

(₹ In Lakhs, unless otherwise mentioned)

Name of the Directors	Salary, Perquisite & Pension	Benefits/ Provident Fund	Sitting Fee	Commission paid during the year	Stock Options
Mr. B N Raveendra Babu	134.70	9.64	-	60	-

Details of Remuneration approved by Shareholders of the Company:

- Salary: ₹ 1,36,20,000 (Rupees One Crore Thirty Six Lakh and Twenty Thousand Only) per annum with effect from July 01, 2023.
- Commission: Not exceeding 1% of net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013. The quantum of commission to be determined by the Board of Directors subject to the norms framed by the Board from time to time;
- Retirement Benefits / Perquisites Contribution to PF: @ 12% of the monthly salary;
- Employee Stock Option Plan: Eligible to the extent of number of shares arising based on options approved to be issued by the Nomination & Remuneration Committee of the Company;
- Contribution to Pension Fund, Superannuation Fund, Gratuity Fund, Encashment of leave at the end of the tenure of appointment as per the rules of the Company (These shall not be included in the computation of remuneration or ceiling on the perquisites);
- Medical Reimbursement Expenses: For self and family including premium payable for medical insurance;
- Personal Accident Insurance: As per the rules of the Company;
- Leave Travel Concession: For self and family once in a year as per the rules of the Company;
- Fee for Clubs: Subject to maximum of two clubs excluding admission and life membership fees;
- Perquisite: Rent Free Accommodation provided, while staying in Chennai
- Others: Such other allowances, perquisites, benefits and amenities as may be provided by the Company from time to time.
- In the event of inadequacy of profits or no profits, Mr. B N Raveendra Babu, Managing Director shall be entitled to consolidated remuneration including Commission but not exceeding ₹ 3 Crore during any financial year and such remuneration shall remain in force for a period of three years commencing from the year the Company has inadequacy of profits or reports loss.

ii. performance criteria includes the below;

- Performance related to budget
- Performance vis a vis peers
- Employee engagement weightage (based on team building, attrition levels etc) Employee engagement survey and actions taken thereafter.
- Building an ethical culture in the organisation, developing a strong Risk management and compliance culture across the Company, with strong and constructive relationship building with regulators and investor relations

iii. service contracts, notice period, severance fees; NA

iv. stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: NA

Resignation of Independent Director

Mr. T M Manoharan, Independent Director of the Company has Resigned from the Board due to health issues with effect from July 15, 2023. The confirmation by such director that there are no other material reasons other than those provided is available at https://asirvadmicrofinance.co.in/wp-content/uploads/2024/08/Resignation%20Letter_Manoharan%20Makkunni%20Thaniyath.pdf

General Body Meetings

Details of the last three Annual General Meetings of the Company are given below:

Sl No.	Meeting	Date & Time	Venue
1	Annual General Meeting	August 16, 2023 at 11.00 AM	9th Floor, No. 9, Club House Road, Anna Salai, Chennai-600002 (Through Video Conference)
	Special Resolutions Passed • Alteration of the Articles of Association of the Company • Revision in remuneration of Mr. B.N. Raveendra Babu, Managing Director of the company		
2	Annual General Meeting	September 24, 2022 at 11.00 AM	9th Floor, No. 9, Club House Road, Anna Salai, Chennai-600002. (Through Video Conference)
	Special Resolutions Passed • Re-appointment of Mr. S.K Mitra as an Independent Director of the Company • Re-appointment of Mr. T Balakrishnan as an Independent Director of the Company • Re-appointment of Mr. T M Manoharan as an Independent Director of the Company • Revision in remuneration of Mr. B N Raveendra Babu, Managing Director of the company		
3	Annual General Meeting	September 08, 2021 at 04.00 PM	10th Floor, Door No. 9, Club House Road, Anna Salai, Chennai-600002. (Through Video Conference)
	Special Resolutions Passed • Increase in the borrowing power of the Company U/s 180(1) (c) of the Companies Act, 2013 • Creation of charges on the Movable and Immovable properties of the Company, both present and future, in respect of borrowings u/s 180(1) (a) of the Companies Act, 2013 • Re-appointment of Mr. D R Dogra as Independent Director of the Company		

No resolutions were passed vide Postal Ballot during the financial year 2023-24. No special resolution is proposed to be conducted through postal ballot.

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

Details of Extraordinary General Meeting during the FY 2023-24: -

Sl No.	Meeting	Date & Time	Venue
1	Extraordinary General Meeting	April 01, 2023, at 10.30 AM.	Board Room, 4th floor, IV/470A (old) W638A (new), Manappuram House, Valapad, Thrissur-680567 (Kerala) (Through Video Conference)
	Special Resolutions Passed • Increasing the borrowing power of the Company under Sections 180(1) (c) of the Companies Act, 2013 • Creation of charges on the Movable and Immovable properties of the Company, both present and future, in respect of borrowings under Section 180(1) (a) of the Companies Act, 2013		
2	Extraordinary General Meeting	August 18, 2023, at 11.00 AM	Board Room, 4th floor, W - 4/ 638 A Manappuram House, Valapad, Thrissur, Kerala - 680567 (Through Video Conference)
	Special Resolutions Passed Nil		
3	Extraordinary General Meeting	October 03, 2023 at 5.30 PM.	Board Room, 4th floor, IV/470A (old) W638A (new), Manappuram House, Valapad, Thrissur, Kerala - 680567 (Through Video Conference)
	Special Resolutions Passed • Initial Public Offer of Equity Shares of the Company upto an aggregate of ₹ 15,000 Million. • Alteration of the Articles of Association of the Company. • Adoption and approval of Amended Asirvad Micro Finance Limited Employee Stock Option Scheme 2019. • Increase in investment limits for Non-Resident Indians and Overseas Citizens of India.		

Means of Communication

The Company publishes the un-audited / audited financial results on quarterly basis in accordance with the provisions of SEBI (LODR) Regulations, 2015. The financial results in the prescribed format are published in leading newspapers like Financial Express. The Company has its website at https://asirvadmicrofinance.co.in/ where in relevant information about the Company and its performance including board approved policies / code are given. The financial results of the Company are also posted on its web site. The company is a debt listed company hence it does not make presentations to institutional investors/ analysts.

All information/communication for debenture holders is duly filed with BSE Limited and the same are posted in the Company's website.

General Shareholders Information as on March 31, 2024

(a)	Annual general meeting - date, time and venue;	Date: September 30, 2024 Time: 11.00 A.M. (IST) through video conferencing Venue: through video conferencing
(b)	Financial year;	2023-24
(c)	Dividend payment date;	NA (No payment during the FY 2023-24)
(d)	The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	Debt Securities of the Company are listed at BSE Limited (BSE). Address of BSE:25th floor, P. J. Towers, Dalal Street, Mumbai - 400 001 Annual listing fee for FY 2023-24 has been paid by the Company to BSE within due date.
(e)	Stock code;	BSE Scrip Code- 950689
(f)	Market price data- high, low during each month in last financial year;	NA (Debt listed Company)
(g)	Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc;	NA (Debt listed Company)
(h)	In case the securities are suspended from trading, the directors report shall explain the reason thereof;	NA
(i)	Registrar to an issue and share transfer agents;	Link Intime India Private Limited Surya, 35 Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028, Tamil Nadu Phone: +91 422 2539835 /836, 4958995 E-mail: coimbatore@linkintime.co.in Investor grievance e-mail: coimbatore@linkintime.co.in Website: www.linkintime.co.in
(j)	Share transfer system;	All shares and debentures of the Company are in the Demat form and are transferrable through Depository System.
(k)	Dematerialization of shares and liquidity	Detailed below
(l)	Distribution of shareholding	Detailed below
(m)	Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;	NA (It is a debt listed company)
(n)	Commodity price risk or foreign exchange risk and hedging activities;	Please refer the Notes No. 42 and 51 of financial statements
(o)	Plant locations;	There are no plants for the company, however, we have branches across India
(p)	Address for correspondence.	Registered Office: 9th Floor, No.9, Club House Road, Anna Salai, Chennai, Tamil Nadu - 600002
(q)	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	Details of Credit Rating is detailed in the Directors' Report.

(k) Dematerialization of Shares and Liquidity

The Company is a member of the depository services of the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of its shares.

Shares of the Company are unlisted.

As on March 31, 2024 100% of the equity shares of the Company are in electronic form with the depositories as detailed below:

Category	No. of Shares	%
National Securities Depository Limited	20,02,54,410	99.99%
Central Depository Services (India) Limited	28,962	0.01%
Total	**20,02,83,372**	**100%**

(l) Distribution of shareholding as on March 31, 2024

SL No	No. of Equity Shares	No of Shareholders	% of Shareholders	No of Shares held	% of Shareholding
1	1000 - 10000	0	0	0	0
2	10001 – 20000	0	0	0	0
3	20001 - 30000	1	10	28,962	0.01
4	30001 - 40000	0	0	0	0
5	40001 - 50000	2	20	84,837	0.04
6	Above 50000	7	70	20,01,69,573	99.95
	Total	**10**	**100**	**20,02,83,372**	**100**

Other Disclosures

- There were no materially significant related party transactions having potential conflict with the interests of the Company at large. Details of material related party transactions have been given in AOC-2. Transactions with related parties are disclosed in Note 36 of Standalone financial statements. Company has obtained Ordinary Resolution from shareholders at the Extra Ordinary General Meeting for entering into Related Party Transactions with Manappuram Finance Limited upto a limit of ₹ 1000 Crore (Rupees Thousand Crore Only).

- There were no instances of non-compliance by the Company for which any penalties or strictures were imposed on the Company by the Stock Exchanges and SEBI, or any statutory authority on any matter related to capital markets during the last three years except as given below:

Name of Stock Exchange	Relevant Regulation	Fine Amount/ Basis of Calculation (In ₹)	Date of Notice
BSE Limited	Regulation 60(2)	11,800 (10,000 per day plus GST)	September 28, 2022
BSE Limited	*Regulation 57(1)	3,540 (1000 per day plus GST)	September 28, 2022

*Waiver for Regulation 57(1) received from BSE on November 23, 2023.

*The Company has received multiple notices from BSE and have reverted with proof of compliance.

As at March 31, 2024, the Company has received multiple notices and is awaiting waiver notices for emails from BSE imposing fines worth ₹ 35,400

- The Company has adopted the Whistle Blower Policy and has established the necessary mechanism in line with the Stock Exchanges, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee. The Vigil Mechanism as per Regulation 22 of Listing Regulations ensures standards of professionalism, honesty, integrity and ethical behavior. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website at the web link https://asirvadmicrofinance.co.in/wp-content/uploads/2023/09/Policy%20On%20Vigil%20Mechanism.pdf

- Details of compliance with Mandatory requirements and adoption of non-mandatory requirements- Company is in compliance with all mandatory requirements applicable to it as per SEBI LODR i.e., Chapter II, Chapter III, Chapter IV (From Regulation 17 to 27) and Chapter V.

- The Company does not currently have any material listed/ unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. The Policy on Material Subsidiaries may be accessed at https://asirvadmicrofinance.co.in/wp-content/uploads/2023/12/Policy%20on%20determining%20material%20subsidiaries%2011-11-2023.pdf

- The policy on dealing with related party disclosures is uploaded on the Company's website at the web link of https://asirvadmicrofinance.co.in/wp-content/uploads/2023/12/Policy%20on%20Related%20Party%20Transactions%20%2011-11-2023.pdf

- The disclosure of commodity price risks and commodity hedging activities

  Since the Company is majorly into the business of Microfinance, except for the market risk associated with the natural calamities like drought, Flood etc, there was no direct exposure for the MFI business to the Commodity Price Risk.

  Regarding the Company's Loans against the collateral of used gold jewellery. When the customer fails to repay the principal plus interest of the loan, the Company auctions the collateral and recovers the dues as per the RBI guidelines on gold loan auctioning. The amount recovered at the time of auction depends on the price of the gold content of the jewellery. Though in a long term perspective gold has appreciated, there were instances of depreciation of gold at times. The Company does therefore susceptible to commodity price risk. If gold prices are high, the amount of recovery at the time of auction is more which are to be shared with the borrower and when the price of gold is low the amount recovered at the time of auction is lower. At the time of auction, the Company at times may not collect full amount of interest due, especially if the price of gold is lower at the time of auction than at the time of disbursement. The company mitigates the price risks by offering various rebate schemes to borrowers for timely interest servicing, offering lower interest rate for loans with lower LTV.

  The company has shifted from short term loans with maturity of 90 days to a duration of one year as commodity price risk seems to have subsided. The price of gold has been staying at elevated levels and is likely to remain so due to various geopolitical tensions and inflationary trends. The trend in adding gold reserves by major central banks is likely to maintain gold price at the elevated levels. The elevated price of gold should positively impact collections as loss of principal and interest during auctions are expected to be negligible, thereby positively impacting yields. Besides, high price will also minimize the downside risk to AUM from a shrinkage in gold stocks held by us, assuming LTV is more or less the same.

  The Company does not face any foreign exchange risks from its loan portfolio as all its loans are in Indian Rupee. The company's borrowing is also largely in Indian rupee. However, based on the market opportunities, the company also raises loans denominated in foreign currency. As a policy, the company fully hedges its foreign currency exposures, and the Company does not have any unhedged foreign currency borrowings. For hedging, the company avoids complex derivative instruments and opts for plain vanilla forward contracts or cross currency swaps or combinations for hedging foreign exchange risks.

- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). _ NA

- A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is published at the report as Annexure-I

- Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:- NA

- Total fees for all services paid by the listed entity to the statutory auditor is detailed in Note. 31(t) of the Financial Statements.

- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

  a. Number of complaints filed during the financial year - 2

  b. Number of complaints disposed of during the financial year - 1

  c. Number of complaints pending as on end of the financial year - 1

- Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'- Nil

- Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries- The Company has no Subsidiaries

- Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed. – Nil

- The Company is in compliance with all the corporate governance requirements mandated by Part A to D of Schedule II of the SEBI (LODR) Regulations, 2015 as applicable.

The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI (LODR) Regulations, 2015:

- The Company does not spend for the non-executive chairperson's office and also does not reimburse expenses incurred in performance of his duties.
- The auditors' report on statutory financial statements of the Company are unmodified.
- Mr. V P Nandakumar is the Non-Executive Chairman of the Company and Mr. B N Raveendra Babu is the Managing Director of the Company.

The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director

- The internal auditor reports directly to the audit committee

- The Company has complied with all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27.

  Clauses (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations (relating to disclosure on the website of the Company) is not applicable to the Company. Company is in Compliance with website disclosure requirements specified in Regulation 62 of Listing Regulations.

Code of Conduct

As per Regulation 26 of SEBI (LODR) Regulations, 2015, the Company has framed a Code of Conduct for the directors and senior management personnel and the same has been uploaded on to the website of the Company and is accessible to the shareholders of the Company at https://asirvadmicrofinance.co.in/wp-content/uploads/2024/05/Code%20of%20Conduct%20for%20Directors%20and%20Senior%20Management.pdf

It is hereby affirmed that all the Board members and senior management personnel have complied with Code of Conduct of the Company. In terms of the provisions of Part E of Schedule V of the SEBI (LODR) Regulations, 2015, a declaration signed by the Managing Director of the Company is published in this report as Annexure - II.

MD/CFO Certification-

The requisite certification made by MD/CFO as per the Regulation 17(8) as specified in Part B of Schedule II of the SEBI (LODR) Regulations, 2015 for FY 2023-24 which was taken note by the Board of Directors at its meeting held on May 22, 2024 is published in this report as Annexure – III.

Disclosures with respect to demat suspense account/ unclaimed suspense account – NA. Shares of the Company are not listed.

Disclosure of certain types of agreements binding listed entities – NA as Part A of Schedule III of Listing regulations is not applicable to the Company.

Matrix setting out the skills/expertise/competence of the board of directors

Leadership
Extended business leadership experience resulting in understanding of organizational and administrative processes and practices, strategic planning and risk management
People Practices
Experience and strengths in developing talent, planning succession, driving change and long-term growth. Understands the drivers leading to behavior change.
Financial Management & Control
Proven expertise in financial management, financial control, capital planning and Accounting with understanding of associated standards and reporting practices
Diversity including gender and occupation
Representation of diversity in terms of gender, geography, culture, occupations that bring varied independent perspectives expanding the Board's understanding of the needs and viewpoints of customers, partners, employees, government and other stakeholders.
Technology
A significant background in technology including applications, Infrastructure, information security etc resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.
Governance
Service in a public company board with good insights on Governance requirements and practices for Board and management and accountability, protecting shareholders interests.

Sales and Marketing
Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation
Regulatory and compliance
Extended experience and understanding of the regulatory environment operating in the context of the business of financial services including financial risk management
Law
Legal background and experience
Financial Services
Extended experience in a financial services firm enabling a rich understanding of the sector and the context including financial inclusion practices and strategies
Sustainability
Experience and exposure in understanding sustainability from the business perspective with regard to employees, customers and the larger community including the environment.

Please insert a "✓" against core skills/expertise/competencies as defined below, which each Director identifies that he/she possess.

Name of Director	Mr. V P Nandakumar	Mr. Abhijit Sen	Mr. B N Raveendra Babu	Mr. D R Dogra	Mr. Gautam Saigal	Ms. Pushya Sitaraman	Mr. S K Mitra	Mr. S V Raja Vaidyanathan	Mr. T Balakrishnan	Mr. Harshan Kollara	Ms. Anita Belani
Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
People Practices	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial Control	✓	✓	✓	✓	✓		✓	✓		✓	
Diversity including gender and occupation	✓					✓	✓		✓	✓	✓
Technology		✓	✓				✓	✓		✓	
Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sales and Marketing	✓		✓		✓		✓	✓			
Regulatory	✓	✓	✓	✓		✓		✓	✓	✓	
Law						✓		✓	✓		✓
Financial Services	✓	✓	✓	✓	✓		✓	✓		✓	
Sustainability	✓		✓					✓	✓		✓

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V P Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 24, 2024
Place: Valapad

Annexure-I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V - Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Asirvad Micro Finance Limited
9th Floor, No. 9, Club House Road,
Anna Salai, Chennai – 600 002.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Asirvad Micro Finance Limited** (CIN: U65923TN2007PLC064550) and having its registered office at 9th Floor, No. 9, Club House Road, Anna Salai, Chennai – 600002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V- Para C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment/Re-appointment
1	Mr.V P. Nandakumar	00044512	10/02/2015
2	Mr.B N Raveendra Babu	00043622	10/02/2015 / 01/07/2021#
3	Mr.Abhijit Sen	00002593	17/03/2020
4	Mr.S K Mitra	00029961	17/03/2020/ 01/01/2023*
5	Mr.T Balakrishnan	00052922	15/05/2018
6	Mr.T M Manoharan@	00225640	15/05/2018/ 15/05/2023
7	Mr.D R Dogra	00226775	09/09/2016 /08/09/2021*
8	Mr.Gautam Saigal	00640229	18/03/2015
9	Mr. S V Raja Vaidyanathan	01467098	29/08/2007
10	Mr. Harshan Kollara	01519810	07/08/2021
11	Mr. A Ramanathan^	02645247	18/03/2015 / 31/07/2020*
12	Ms. Pushya Sitaraman	06537196	02/02/2019 / 01/02/2022*
13	Ms Anita Belani	01532511	13/01/2023
14	Dr. Sumitha Nandan^^	03625120	22/09/2023

Appointed as Managing Director
*Re-appointed for Second term as Independent Director
@Resigned from the office of director with effect from 15/07/2023
^Retired as Independent Director as his tenure completed on 30/11/2023
^^Resigned from the office of director with effect from 13/02/2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KSR & Co Company Secretaries LLP

Dr.C.V.Madhusudhanan
Partner
FCS: 5367; CP:4408
UDIN: F005367F000433762
PR No.2635/2022

Date: 22nd May, 2024
Place: Coimbatore

Annexure-II

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted Code of Conduct for the Directors and senior management personnel. I confirm that the Company has in respect of the year ended March 31, 2024, received from the Senior Management Personnel of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

B N Raveendra Babu
Managing Director
DIN: 00043622

Place: Valapad
Date: May 24, 2024

Annexure-III

CEO & CFO CERTIFICATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To:
The Board of Directors of Asirvad Micro Finance Limited

We, B N Raveendra Babu, Managing Director and Rajesh KRN Namboodiripad, Chief Financial Officer of Asirvad Micro Finance Limited, ("the Company") hereby certify that: -

(a) We have reviewed financial statements and cash flow statement for the year ended March 31, 2024, and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the audit committee

1. significant changes, if any, in the internal control over financial reporting during the financial year ended March 31, 2024;

2. significant changes, if any, in the accounting policies during the financial year ended March 31, 2024 and that the same have been disclosed in the notes to the financial statements; and

3. instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

B N Raveendra Babu
Managing Director
DIN: 00043622

Rajesh KRN Namboodiripad
Chief Financial Officer

Place: Valapad
Date: May 22, 2024

Annexure-D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee (CSR Committee). The CSR Committee has formulated and recommended a CSR Policy to the Board and various recommendations of the CSR Committee including the amount of expenditure to be incurred on CSR activities are submitted to the Board for approval. The CSR Committee has framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitors CSR policy from time to time.

2. Compositions of the Corporate Social Responsibility Committee as on March 31, 2024:

SL No.	Name of the 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	Mrs. Pushya Sitaraman	Chairperson, Independent Director	4	4
2	Mr. B N Raveendra Babu	Member, Managing Director	4	4
3	Mr. T Balakrishnan	Member, Independent Director	4	4
4	Mr. D R Dogra	Member, Independent Director	4	4

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

Composition of CSR committee is available on the company's website at https://asirvadmicrofinance.co.in/sub-committee/

The CSR Policy of the Company as approved by the Board of Directors is available on the Company's website at https://asirvadmicrofinance.co.in/wp-content/uploads/2023/12/CSR%20Policy.pdf

CSR projects approved by the board is available on the Company's website at https://asirvadmicrofinance.co.in/csr/

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 sub-section (5) of section 135 : ₹ 12081.60 Lakhs

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 : ₹ 241.63 Lakhs

(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)] : ₹ 241.63 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 241.63 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)] : ₹ 241.63 Lakhs

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

Total Amount spent for the Financial Year	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer
241.63	Nil	-	-	-	-

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

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

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(₹ In Lakhs, unless otherwise mentioned)

(1) Sl. No.	(2) Preceding Financial Year(s)	(3) Amount transferred to Unspent CSR Account under sub-section (6) of section 135	(4) Balance Amount in Unspent CSR Account under sub-section (6) of section 135	(5) Amount Spent in the Financial Year	(6) Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		(7) Amount remaining tobe spent insucceeding financial years	(8) Deficiency, if any
					Amount	Date of transfer		
1.	2022-23	40.57	40.57	40.57	-	-	-	
2.	2021-22	312.29	135.48	113.75	-	-	21.73	
3.	2020-21	-	-	-	-	-	-	
	TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	

8. Whether any capital asset have been created or acquired through Corporate Sociability Responsibility amount spent in the financial year:

Yes

If yes, enter the number of capital asset created or acquired- 115 Assets

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

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1.	Interior And Civil Works (Infrastructural Development Of Manappuram Civil Service Academy) Address: Punkunnam Junction, 4th Floor, Sobha Heights Building Agraharam Road, Thrissur, Kerala 680002	680002	27/10/2023	477,292	CSR00004545	Manappuram Foundation	V/104, Manappuram House, Valapad P O, Thrissur, Kerala - 680567
2	1 Wheelchair, Abhishek TA, S/O Anilumar, Thaliyecha House, Eriyad PO, 680666	680666	27/03/2024	129,895	Nil	Abhishek TA,	Abhishek TA, S/O Anilumar, Thaliyecha House, Eriyad PO, 680666

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
3	1 Wheelchair, Asokan P , S/O Ambadi, Valanjikkunnil House, Chengalayai P O Cherankkunnu - 670301	670301	28/3/2024	60,900	Nill	Asokan P	Name- Asokan P (53) Address- S/O Ambadi, Valanjikkunnil House, Chengalayai PO cherankkunnu - 670301 Kannur District -+91 9961609514 Family- Lakshmi (76)-Mother, Sneha George (43) -Wife, Aswas (15)-Son, Anugraha(12)-Daughter, Ration Card- Bpl Disease - Muscular Dystrophy
4	Dream Runners Foundation, Flat- Sf2, Mulberry, New No. 6, Old No.14,Ii Cross Street, Karpagam Gardens, Adyar, Chennai - 600020	600020	14/6/2023	11,00,000	CSR00013499	Dream Runners Foundation	Dream Runners Foundation, Flat- Sf2, Mulberry, New No. 6,Old No.14,Ii Cross Street,Karpagam Gardens,Ad
5	1 Wheelchair, Abhijith P J, Devakshaya, Court Junction, Csra 109a, Mavelikara P O, 690101, Alappuzha District	690101	27/03/2024	1,30,000	Nil	Abhijith P J	Devakshaya, Court Junction, Csra 109a, Mavelikara P O, 690101, Alappuzha District
6	1 Wheelchair, Abhinandh. S, Ambbivavakkathil Veedu, Pallimukku , Kundara, Kollam , Pin - 691501	691501	27/03/2024	1,30,000	Nil	Abhinandh. S	Ambbivavakkathil Veedu, Pallimukku, Kundara, Kollam , Pin - 691501
7	1 Wheelchair,Abinav Chandra .M, Puthanpurayil House, Po Pallivayal, Mazhoor, Idukuzhi, Pin 670142	670142	27/03/2024	1,30,000	Nil	Abinav Chandra .M	Puthanpurayil House, Po Pallivayal, Mazhoor, Idukuzhi, Pin 670142
8	1 Wheelchair,Abiya Mary, Muthezhathopp (H), Muriyad,Thrissur - 680683	680683	27/03/2024	1,30,000	Nil	Abiya Mary,	Abiya Mary, Muthezhathopp (H), Muriyad,Thrissur - 680683
9	1 Wheelchair,Adarsh K.M, Cheriyatharammal, ERAVATTUR P.O, PERAMBRA 673525	673525	27/03/2024	1,30,000	Nil	Adarsh K.M	Adarsh K.M ,Cheriyatharammal, Eravattur P.O, Perambra 673525
10	1 Wheelchair,Adil Roshan, KALAPPURAKKAL(H), PO MULLASSERY, PIN 680509, THRISSUR (DST)	680509	27/03/2024	1,30,000	Nil	Adil Roshan	Kalappurakkal(H), Po Mullassery, Pin 680509, Thrissur (Dst)
11	1 Wheelchair,Adithyan T B, Manaleppu Veettil, Kaliyattamukk, M. H Nagar, P.O. Moonniyur, Pin :676 311	676 311	27/03/2024	1,30,000	Nil	Adithyan T	Adithyan T ,Manaleppu Veettil, Kaliyattamukk, M. H Nagar, P.O. Moonniyur, Pin :676 311
12	1 Wheelchair,Adwaith.J, S/O Jagadeeswaran, Meleppura House, Chanthiruthi Koduvayur, Palakkad, Pin 678501	678501	27/03/2024	1,30,000	Nil	Adwaith.j,	S/O Jagadeeswaran, Meleppura House, Chanthiruthi Koduvayur, Palakkad, Pin 678501

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
13	1 Wheelchair, Aiswarya Manikandan ,Kunnath House, Pallikkunn P. O, Kumaramputhoor, Mannarkkad, Pin :678583	678583	27/03/2024	1,30,000	Nil	Aiswarya Manikandan	Aiswarya Manikandan ,Kunnath House, Pallikkunn P. O, Kumaramputhoor, Mannarkkad, Pin :678583
14	1 Wheelchair, Ajeema M ,S/O Sibi Rajan, Puthan Tharayil, Thaikkal P.O, Cherthala, Pin: 688530	688530	27/03/2024	1,30,000	Nil	Ajeema M	Ajeema M ,S/O Sibi Rajan, Puthan Tharayil, Thaikkal P.O, Cherthala, Pin: 688530
15	1 Wheelchair,Ajithakumar K J , Kaippilliparambath House,Mudikkal, P.O Perumbavoor - 683547	683547	27/03/2024	1,30,000	Nil	Ajithakumar K J	Ajithakumar K J, Kaippilliparambath House,Mudikkal, P.O Perumbavoor - 683547
16	1 Wheelchair, Ajith M R ,Mudavanparambil House. Vilakparamb. Kaipamangalam Po, Thrissur, Pin: 680681	680681	27/03/2024	1,30,000	Nil	Ajith M R	Ajith M R, Mudavanparambil House. Vilakparamb. Kaipamangalam Po, Thrissur, Pin: 680681
17	1 Wheelchair, Akulkrishna. S ,Raisha Cottage, Kunjippanam Paramb , Kamburam , West Hill (P.O) , CALICUT Pin Code: 673005	673005	27/03/2024	1,30,000	Nil	Akulkrishna	Akulkrishna. S ,Raisha Cottage, Kunjippanam Paramb , Kamburam, West Hill (P.O), CALICUT Pin Code: 673005
18	1 Wheelchair,Arjun. P, Kunduvalappil House Drishya Nagar Ollukara Po, Puliparambu, 680655	680655	27/03/2024	1,30,000	Nil	Arjun. P	Arjun. P ,Kunduvalappil House Drishya Nagar Ollukara Po, Puliparambu, 680655
19	1 Wheelchair, ASHBI. VR ,Puthanpurayil House, Po Pallivayal, Mazhoor, Idukuzhi, Pin 670142	670142	27/03/2024	1,30,000	Nil	ASHBI. VR	Ashbi. Vr ,Puthanpurayil House, Po Pallivayal, Mazhoor, Idukuzhi, Pin 670142
20	1 Wheelchair,Augustin V G, Madathissery(H), Pattimattom (Po), Pazhamthottam, 683562(Pin), Ernakulam (Dt)	683562	27/03/2024	1,30,000	Nil	Augustin V G	Augustin V G, Madathissery(H), Pattimattom (Po), Pazhamthottam, 683562(Pin), Ernakulam (Dt)
21	1 Wheelchair,Deepa S P, Nisha Mandiram Kuttikkadu (P. O), Kadakkal, Pin: 691536	691536	27/03/2024	1,30,000	Nil	Deepa S P	Deepa S P, Nisha Mandiram Kuttikkadu (P. O), Kadakkal, Pin: 691536
22	1 Wheelchair,Delwin Antony, Kanikkara House, Muthu,Tirur (PO) - 676101	676101	27/03/2024	1,30,000	Nil	Delwin Antony	Delwin Antony ,Kanikkara House, Muthu,Tirur (PO) - 676101
23	1 Wheelchair,Edwin George, Thoppil Kizhakkethil, Nediyakala, Elavumthitta P O, Pin : 689625	689625	27/03/2024	1,30,000	Nil	Edwin George	Edwin George ,Thoppil Kizhakkethil, Nediyakala, Elavumthitta P O, Pin : 689625
24	1 Wheelchair,Farsana K.A, Farsana K.A Kottammal, H. Vilayil, Po Malappuram Dt. 673641	673641	27/03/2024	1,30,000	Nil	Farsana K.A	Farsana K.A Kottammal, H. Vilayil, Po Malappuram Dt. 673641
25	1 Wheelchair,Geethu P C, Chettikalam, Erattakulam (P. O) Elappully2, Palakkad, Pin. 678622	678622	27/03/2024	1,30,000	Nil	Geethu P C	Chettikalam, Erattakulam (P. O) Elappully2, Palakkad, Pin. 678622

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
26	1 Wheelchair,Harinandan Ps, Puthiya Veetil (House), Aynichodu, Snehatheeram, Near, Thalikulam(Po)680569(Pin)	680569	27/03/2024	1,30,000	Nil	Harinandan Ps	Harinandan PS,Puthiya Veetil (House), Aynichodu, Snehatheeram, Near, Thalikulam (Po) 680569(Pin)
27	1 Wheelchair, Leena Jose, Cherottuveli, Vengody (Po), Elappully, Palakkad(Dt), Pin-678622	678622	27/03/2024	1,30,000	Nil	Leena Jose	Leena Jose, Cherottuveli, Vengody (Po), Elappully, Palakkad(Dt), Pin-678622
28	1 Wheelchair,M X John, Kappummal (H), Valanchery (Po), Vaikathoor, Malappuram (Dist), 676552(Pin)	676552	27/03/2024	1,30,000	Nil	M X John	M X John,Kappummal (H), Valanchery (Po), Vaikathoor, Malappuram (Dist), 676552(Pin)
29	1 Wheelchair,Maneesha George, S/O Prakash, Vaniyathara, Elappully P.O, Pin: 678622	678622	27/03/2024	1,30,000	Nil	Maneesha George,	Maneesha George, S/O Prakash, Vaniyathara, Elappully P.O, Pin: 678622
30	1 Wheelchair, Mani K N ,Plakkada (H), Kattikulam (P O), Thrissilery, 670646 (Pin), Wayanad	670646	27/03/2024	1,30,000	Nil	Mani K N	Mani K N ,Plakkada (H), Kattikulam (P O), Thrissilery, 670646 (Pin), Wayanad
31	1 Wheelchair, Michael Austin, Malampallayil, Manisseri Po, Tricancode, Ottapalam, Pin: 679521	679521	27/03/2024	1,30,000	Nil	Michael Austin	Michael Austin ,Malampallayil ,Manisseri Po,Tricancode, Ottapalam, Pin: 679521
32	1 Wheelchair, Midhun Pk, Puthaenkattil (H), P.O Edavilangu, Kodungallur - 680671	680671	27/03/2024	1,30,000	Nil	Midhun pk	Puthaenkattil (H), P.O Edavilangu, Kodungallur - 680671
33	1 Wheelchair, Muhammed Sabith, Malokkaran House, Nattika PO 680566, Thrissur	680566	27/03/2024	1,30,000	Nil	Muhammed sabith	Muhammed Sabith, Malokkaran House, Nattika PO 680566, Thrissur
34	1 Wheelchair, Reena Raphael, Reena Raphael ,Kanjirahamkuzhy, Mannoor, Keezhillam, Ernakulam - 683541	683541	27/03/2024	1,30,000	Nil	Reena Raphael	Reena Raphael, Kanjirahamkuzhy, Mannoor, Keezhillam, Ernakulam - 683541
35	1 Wheelchair, Revathy R V,Valiyaveettil (H), Perumbillissery West,Cherpu P.O 680561	680561	27/03/2024	1,30,000	Nil	Revathy R V	Revathy R V, Valiyaveettil (H), Perumbillissery West, Cherpu P.O 680561
36	1 Wheelchair, Rusafeeda K M, Konnasserithara, Vaikom, Thirumani Venkita Puram - 686606	686606	27/03/2024	1,30,000	Nil	Rusafeeda K M	Rusafeeda K M, Konnasserithara, Vaikom, Thirumani Venkita Puram - 686606
37	1 Wheelchair,Sabarinath. P, Poothara House, Pandavath Road., Maradu - 682304	682304	27/03/2024	1,30,000	Nil	Sabarinath. P	Sabarinath. P , Poothara House, Pandavath Road., Maradu - 682304
38	1 Wheelchair,Sajithamol, H No:2/929, Kunnumpuram, Fortkochi - 682001	682001	27/03/2024	1,30,000	Nil	Sajithamol ,	Sajithamol ,H No:2/929, Kunnumpuram, Fortkochi - 682001
39	1 Wheelchair, Sakkeer. K, H No: 3/383A, Eraveli, Fortkochi - 682002	682002	27/03/2024	1,30,000	Nil	Sakkeer . K	Sakkeer . K ,H No: 3/383a, Eraveli, Fortkochi - 682002
40	1 Wheelchair,Sanjeev Dev MD, H No: 13/2030, KMP Nagar, Palluruthy - 682006	682006	27/03/2024	1,30,000	Nil	Sanjeev Dev MD	Sanjeev Dev Md ,H No: 13/2030, Kmp Nagar, Palluruthy - 682006

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
41	1 Wheelchair, Sanjog E, Palasserry, Neelanji, Kaippini, Kurumbalangodu P.O Nilambur - 679334	679334	27/03/2024	1,30,000	Nil	Sanjog E	Palasserry, Neelanji, Kaippini, Kurumbalangodu P.O Nilambur - 679334
42	1 Wheelchair, Sayooj E, Veliyayyathu Puliyoorvanji, South Edakulangara P O Thodiyoor Kollam – 690523	690523	27/03/2024	1,30,000	Nil	Sayooj E	Sayooj E ,Veliyayyathu Puliyoorvanji, South Edakulangara P O Thodiyoor Kollam - 690523
43	1 Wheelchair, Shaju V D, Puliyathuparambil (H), Cherumukku, Irinjalakuda P.O Irinjalakuda 680121	680121	27/03/2024	1,30,000	Nil	Shaju V D	Shaju V D ,Puliyathuparambil (H), Cherumukku, Irinjalakuda P.O Irinjalakuda 680121
44	1 Wheelchair, Shamila P. S, Vadakkumpadan, Muringoor, Thrissur - 680309	680309	27/03/2024	1,30,000	Nil	Shamila P. S	Shamila P. S ,Vadakkumpadan, Muringoor, Thrissur - 680309
45	1 Wheelchair, Shyamjith S P, Thoppil House, CHC Road, Anandapuram - 680305	680305	27/03/2024	1,30,000	Nil	Shyamjith S P	Shyamjith S P ,Thoppil House, Chc Road, Anandapuram - 680305
46	1 Wheelchair, Sreehari Sunil, Thachillathuparambil House, Kannikkaru, Kaduppasseri - 680683	680683	27/03/2024	1,30,000	Nil	Sreehari Sunil	Sreehari Sunil, Thachillathuparambil House, Kannikkaru, Kaduppasseri - 680683
47	1 Wheelchair, Subeena K.S, Mulangil Veedu, Edathiruthy PO Irinjalakuda - 680567	680567	27/03/2024	1,30,000	Nil	Subeena K.S	Subeena K.S ,Mulangil Veedu, Edathiruthy Po Irinjalakuda - 680567
48	1 Wheelchair, Subeena. M.V, Thoppil House, CHC Road, Anandapuram - 680305	680305	27/03/2024	1,30,000	Nil	Subeena. M.V	Subeena. M.V ,Thoppil House, Chc Road, Anandapuram - 680305
49	1 Wheelchair, Sudheer Hassan, Malathuruthil, Madras Lane, Aluva P O Ernakulam - 683101	683101	27/03/2024	1,30,000	Nil	Sudheer Hassan	Malathuruthil,Madras Lane, Aluva P O Ernakulam - 683101
50	1 Wheelchair, Sudheesh, Valiyathara, Karuvelipady, Thoppumpady, Kochi - 682002	682002	27/03/2024	1,30,000	Nil	Sudheesh	Sudheesh ,Valiyathara, Karuvelipady, Thoppumpady, Kochi - 682002
51	1 Wheelchair, Sunil Kumar N, Kanjirathum Parambil House, Puthiya Road, Cochin Corporation, Thammanam - 682032	682032	27/03/2024	1,30,000	Nil	Sunil Kumar N	Sunil Kumar N ,Kanjirathum Parambil House, Puthiya Road, Cochin Corporation, Thammanam - 682032
52	1 Wheelchair, Thasnin, Mannayamkottu H, Arampillly P.O Mundur 680541	680541	27/03/2024	1,30,000	Nil	Thasnin	Thasnin ,Mannayamkottu H, Arampillly P.O Mundur 680541
53	1 Wheelchair, Vaishnavi A N, Chiroth House, Pulincherry Lane, Udalakkavu, Adattu P.O Thrissur - 680551	680551	27/03/2024	1,30,000	Nil	Vaishnavi A N	Vaishnavi A N ,Chiroth House,Pulincherry Lane,Udalakkavu,Adattu P.O Thrissur - 680551
54	1 Wheelchair, Sanjogh E, Puthapurayil H, P O Pallivayali, Mazhur, Kannur - 670142	670142	27/03/2024	1,30,000	Nil	Sanjogh E	Sanjogh E, Puthapurayil H, P O Pallivayali, Mazhur,Kannur - 670142
55	1 Ecg Machine, Thriprayar Chc, Cherpu - Thriprayar Rd, Cherpu, Thrissur, Kerala 680561	680561	06/10/2023	60,000	Nil	Thriprayar CHC,	Thriprayar Chc, Cherpu - Thriprayar Rd, Cherpu, Thrissur, Kerala 680561nil
56	1 Washing Machine, Thriprayar Chc, Cherpu - Thriprayar Rd, Cherpu, Thrissur, Kerala 680561	680561	29/09/2023	28,650	Nil	Thriprayar CHC,	Thriprayar Chc, Cherpu - Thriprayar Rd, Cherpu, Thrissur, Kerala 680561nil

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
57	1 Washing Machine, Anthikad Chc, Anthikad Centre, Anthikad, Kerala 680641	680641	29/09/2023	28,650	Nil	Anthikad CHC	Anthikad Chc, Anthikad Centre, Anthikad, Kerala 680641
58	1 Electric Buggy, Malabar Cancer Centre, Thalassery, P.O. Moozhikkara Kannur 670 103, Kerala	670 103	21/08/2023	277,200	CSR00010773	Malabar Cancer Centre.	Malabar Cancer Centre, Thalassery, P.O. Moozhikkara Kannur 670 103, Kerala
59	1 Water Treatment Plant, Institute Of Advanced Studies In Education, Palace Rd, Chembukkav, Thrissur, Kerala 680020	680020	02/09/2023	36,500	Nil	Institute of Advanced Studies in Education	Institute Of Advanced Studies In Education, Palace Rd, Chembukkav, Thrissur, Kerala 680020
60	1 Hearing Aid, Nandana TB, Thazhiserri House, Thamaryoor PO. PIN:680505.	680505	02/09/2024	74,000	Nil	Nandana TB	Nandana Tb, Thazhiserri House, Thamaryoor Po. Pin:680505.
61	1 House, Rasheed, S/O Abdul Khadar, Kalakkattu (H), Subhash Nagar, Chalakudy H O, Thrissur, 680307 (Final Payment For House Construction)	680307	19/06/2023	250,000	Nil	Rasheed	Rasheed, S/O Abdul Khadar, Kalakkattu (H), Subhash Nagar, Chalakudy H O, Thrissur, 680307
62	1 House, Rajitha M K, W/O Rajan M K, Manamkandath, Kololamba, Edappal, Malappuram, Kerala, 679576 (Final Payment For House Construction)	679576	05/09/2023	250,000	Nil	Rajitha M K,	Rajitha M K, W/O Rajan M K, Manamkandath, Kololamba, Edappal, Malappuram, Kerala, 679576
63	1 House, Priya K K, W/O Manikandan, Kallingal House Pampady, Thiruvilwamala, Pampady, Thalappilly Thrissur, Kerala 680588(Final Payment For House Construction)	680588	25/07/2023	250,000	Nil	Priya K K	Priya K K, W/O Manikandan, Kallingal House Pampady, Thiruvilwamala, Pampady, Thalappilly Thrissur, Kerala 680588
64	1 House, Leela, W/O Ayyappan, Bhagavathipparambil House, Kolalamba P O, Edappal, Malappuram, Kerala - 679576 (Final Payment For House Construction)	679576	05/09/2023	250,000	Nil	Leela,	Leela, W/O Ayyappan, Bhagavathipparambil House, Kolalamba P O, Edappal, Malappuram, Kerala - 679576
65	1 House, Girija,W/O Saji, Kadavath House, Vadanappally House, Thrithallur West, Thrissur, Chavakkad, Kerala, 680619 (Final Payment For House Construction)	680619	05/10/2023	250,000	Nil	Girija,	Girija,W/O Saji, Kadavath House, Vadanappally House, Thrithallur West, Thrissur, Chavakkad, Kerala, 680619
66	1 House, Santhakumari, W/O Ramakrishnan, Odakulam, Ezhakkad, Mudur -Ii, Elakkad, Palakkad, Kerala, 678631 (Final Payment For House Construction)	678631	18/10/2023	250,000	Nil	Santhakumari	Santhakumari, W/O Ramakrishnan, Odakulam, Ezhakkad, Mudur -Ii, Elakkad, Palakkad, Kerala, 678631
67	1 House, Rajakumari K K, D/O Kuttayi, Kavalengil House, Challikkal, Kongad, Kongad -I, Kongad, Palakkad, Kerala, 678631 (Final Payment For House Construction)	678631	18/10/2023	250,000	Nil	Rajakumari K K	Rajakumari K K, D/O Kuttayi, Kavalengil House, Challikkal, Kongad, Kongad -I, Kongad, Palakkad, Kerala, 678631

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
68	I House, Jeena Jose, C/O Jose K M, Koithanath (H), Nattukal Post, Thachanattukara -I, Palakkad, Kerala 678583(First Payment For House Construction)	678583	13/05/2023	125,000	Nil	Jeena Jose,	Jeena Jose, C/O Jose K M, Koithanath (H), Nattukal Post, Thachanattukara -I, Palakkad, Kerala 678583
69	1 House, Ms. Valsala Sasidaran, W/O Late Sasidaran, Chennangat House P O Nattika 680566(Final Payment For House Construction)	680566	28/03/2024	650,000	Nil	Ms. Valsala	Ms. Valsala Sasidaran, W/O Late Sasidaran, Chennangat House P O Nattika 680566 PH-8089355507
70	1 House, K A Joy, S/O Atlesh, Kochuthottathil (H), Kalachal Road, Thuthiyoor, Kakkanad, VTC Cochin Special Ecomomic Zone, Eranakulam, 682037(First Payment For House Construction)	682037	28/03/2024	125,000	Nil	K A Joy,	K A Joy, S/O Atlesh, Kochuthottathil (H), Kalachal Road, Thuthiyoor, Kakkanad, VTC Cochin Special Ecomomic Zone, Eranakulam, 682037
71	I House, Mariam Ouseph, Kolanpakkara, Angadikara, Kothamangalam, EKM,686691(First Payment For House Construction)	686691	28/03/2024	78,056	Nil	Mariam Ouseph	Mariam Ouseph, Kolanpakkara, Angadikara, Kothamangalam, Ekm,686691
72	1 House, C K Suma, W/O Suryan T S, Thriprayatt (H), Karayavattam, Valapad, Chavakkad, Thrissur 680567(Final Payment For House Construction)	680567	09/12/2023	250,000	Nil	C K Suma	C K Suma, W/O Suryan T S, Thriprayatt (H), Karayavattam, Valapad, Chavakkad, Thrissur 680567
73	1 House, Ms. Suneera K K, D/O Kunjumoidheen, Kallungal House Mala P O Kottamury 680732(First Payment For House Construction)	680732	09/12/2023	100,000	Nil	Ms. Suneera K K	Ms. Suneera K K, D/O Kunjumoidheen, Kallungal House Mala P O Kottamury 680732
74	1 House, Geetha Babu, W/O Babu K S, Kurinjettedath (H), Kuruvilassery P O, Valiyaparambu, Thrissur, Kerala 680732(Final Payment For House Construction)	680732	02/02/2024	250,000	Nil	Geetha Babu,	Geetha Babu, W/O Babu K S, Kurinjettedath (H), Kuruvilassery P O, Valiyaparambu, Thrissur, Kerala 680732
75	1 House, Pushpavathy T K, W/O Chandran, Chemban, Chettuva, Kundaliyur, Engandiyur, Thrissur, 680616(Final Payment For House Construction)	680616	01/03/2024	250,000	Nil	Pushpavathy T K	Pushpavathy T K, W/O Chandran, Chemban, Chettuva, Kundaliyur, Engandiyur, Thrissur, 680616
76	1 House, Kochuthressia, W/O Ouseph, Padathara (H), Near Kalabhavan, Mariyapuram, P O Anchery, Kuriyachira S O, Thrissur 680006(Final Payment For House Construction)	680006	18/12/2023	250,000	Nil	Kochuthressia	Kochuthressia, W/O Ouseph, Padathara (H), Near Kalabhavan, Mariyapuram, P O Anchery, Kuriyachira S O, Thrissur 680006
77	1 House, Lubda K K, C/O Moideen, Korakkuzhiyil (H), Chekanoor Road, Thaikad, Vattamkulam, Malappuram, 679578(Final Payment For House Construction)	679578	23/03/2024	250,000	Nil	Lubda K K,	Lubda K K, C/O Moideen, Korakkuzhiyil (H), Chekanoor Road, Thaikad, Vattamkulam, Malappuram, 679578

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
78	1 House, Unnikrishnan Nair Govind Vilasam, Melila P. O, Pin - 691508 Kottarakara, Kollam (2nd And 3rd Payment For House Construction)	691508	21/12/2023	350,000	Nil	Unnikrishnan nair	Unnikrishnan Nair Govind Vilasam, Melila P. O, Pin - 691508 Kottarakara, Kollam
79	1 House, Chinnamma, W/O Kurian, Pezhackattil, Perumballoor, Peringazha, Marady (Part), Eranakulam, 686673 (Final Payment For House Construction)	686673	28/03/2024	250,000	Nil	Chinnamma	Chinnamma, W/O Kurian, Pezhackattil, Perumballoor, Peringazha, Marady (Part), Eranakulam, 686673
80	1 House, Jinu Vargese, S/O Varkey, Athickal (H), Perumballoor, Peringuzha, Marady (Part), Eranakulam, Kerala -686673(Final Payment For House Construction)	686673	28/03/2024	200,000	Nil	Jinu Vargese	Jinu Vargese, S/O Varkey, Athickal (H), Perumballoor, Peringuzha, Marady (Part), Eranakulam, Kerala -686673
81	1 House, Ammini Sasikumar, W/O Sasikumar M P, Mangattukunnel (H), Pulinthanam P O, Enanalloor Village, Pothanikkad, Eranakulam, 686671(Final Payment For House Construction)	686671	28/03/2024	200,000	Nil	Ammini Sasikumar	Ammini Sasikumar, W/O Sasikumar M P, Mangattukunnel (H), Pulinthanam P O, Enanalloor Village, Pothanikkad, Eranakulam, 686671
82	1 House, Jayasree, D/O Narayanan, Kakkuzhi House, Amarambalam P O, Thottekkad, Pookkottumpadam, Malappuram, Kerala, 679332 (Final Payment For House Construction)	679332	28/03/2024	250,000	Nil	Jayasree	Jayasree, D/O Narayanan, Kakkuzhi House, Amarambalam P O, Thottekkad, Pookkottumpadam, Malappuram, Kerala, 679332
83	1 House, Mr. Jayanbose, Naduparambil House, Nattika Thrissur 680567. Ward 9 Nattika Grama Panchayat. (Final Payment For House Construction)	680567	23/03/2024	100,000	Nil	Mr. Jayanbose	Mr. Jayanbose, Naduparambil House, Nattika Thrissur 680567. Ward 9 Nattika Grama Panchayat
*84	Sayujyam Housing Project, M N Govindan Nair Laksham Veet Colony, Valapad	680567	01/06/2023	107,61,600	Nil	Various individual Beneficiaries	Sayujyam Housing Project, M N Govindan Nair Laksham Veed Colony, Tirupazanchery Valapad 680567
85	1 House, Suresh Babu, Veetikka Parambil House , Mundathode, Chathangottupuram, Porur, Chathangottupuram, Malappuram, Kerala, 679328(Final Payment For House Construction)	679328	31/03/2024	200,000	Nil	Suresh Babu,	Suresh Babu, Veetikka Parambil House, Mundathode, Chathangottupuram, Porur, Chathangottupuram, Malappuram, Kerala, 679328
86	1 House, Jojo M J, S/O Jacob, Maliyekkal (H), Valiyaparambu, Kuruvilassery, Thrissur, Kerala, 680732(Final Payment For House Construction)	680732	28/03/2024	250,000	Nil	Jojo M J	Jojo M J, S/O Jacob, Maliyekkal (H), Valiyaparambu, Kuruvilassery, Thrissur, Kerala, 680732

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
87	1 House,Saragan, Mangattu House Srambi Paduvapuram Karukutty 683576(Final Payment For House Construction)	683576	03/05/2023	100,000	Nil	Saragan	Saragan, Mangattu House Srambi Paduvapuram Karukutty 683576
88	1 House, Vinston C U, Chittinappilly Malayankunnu Karukutty Ekm 683576(Final Payment For House Construction)	683576	03/05/2023	100,000	Nil	Vinston C U	Vinston C U, Chittinappilly Malayankunnu Karukutty Ekm 683576
89	1 House ,Bindu Shaiju, Vettiyattil Veedu, Parppakkadavu, Ammadam P O, Paralam, Thrissur , Kerala-680563(Final Payment For House Construction)	680563	12/05/2023	125,000	Nil	Bindu Shaiju	Bindu Shaiju, Vettiyattil Veedu, Parppakkadavu, Ammadam P O, Paralam, Thrissur , Kerala- 680563
90	1 House ,Lakshmi C, W/O Unnikrishnan, Palakkaparambu, Kaniyarkode P O, Thiruvilwamala, Kaniyarkode, Thrissur 680594(Final Payment For House Construction)	680594	11/07/2023	250,000	Nil	Lakshmi C	Lakshmi C, W/O Unnikrishnan, Palakkaparambu, Kaniyarkode P O, Thiruvilwamala, Kaniyarkode, Thrissur 680594
91	1 House ,Thankamma K C, Chozhiyamkkode Colony, Malesamangalam P O, VTC: Thiruvilwamala, District : Thrissur, State: Kerala, 680588(Final Payment For House Construction)	680588	11/07/2023	250,000	Nil	Thankamma K C	Thankamma K C, Chozhiyamkkode Colony, Malesamangalam P O, Vtc: Thiruvilwamala, District : Thrissur, State: Kerala, 680588
92	1 House ,Preetha K R, W/O Ramachandran, Parakunnath House, Attur P O, Mullurkara, Talappilly, Thrissur, Kerala – 680583 (Final Payment For House Construction)	680583	12/05/2023	125,000	Nil	Preetha K R	Preetha K R, W/O Ramachandran, Parakunnath House, Attur P O, Mullurkara, Talappilly, Thrissur, Kerala - 680583
93	1 House ,Kamalakshi, W/O Gopalan, Chambakara House Kongad, Palakad. Pin:678631(Final Payment For House Construction)	678631	01/11/2023	250,000	Nil	Kamalakshi	Kamalakshi, W/O Gopalan, Chambakara House Kongad, Palakad. Pin:678631
94	1 House ,Safiya Asharaf, W/O Asharaf K K, Kanikathu House, Mathilmoola, Mathilakam P O, Pappinivattom, Thrissur, Kerala, 680685(Final Payment For House Construction)	680685	15/05/2023	250,000	Nil	Safiya Asharaf	Safiya Asharaf, W/O Asharaf K K, Kanikathu House, Mathilmoola, Mathilakam P O, Pappinivattom, Thrissur, Kerala, 680685
95	1 House ,Shaiju C D, Chakkalakkal House Kuttikadu Po Pariyaram (Final Payment For House Construction)	680724.	15/05/2023	100,000	Nil	Shaiju C D	Shaiju C D, Chakkalakkal House Kuttikadu Po Pariyaram
96	1 House ,Sujatha, C/O Shanmughan, Adiyoli House, Karamuck, Thrissur, Kerala, 680613(Final Payment For House Construction)	680613	15/05/2023	250,000	Nil	Sujatha	Sujatha, C/O Shanmughan, Adiyoli House, Karamuck, Thrissur, Kerala, 680613

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
97	1 House ,Rajitha, D/O Thanga, Thalekara House, Malappuram 679676(Final Payment For House Construction)	679676	31/03/2024	250,000	Nil	Rajitha	Rajitha, D/O Thanga, Thalekara House, Malappuram 679676
98	1 House ,Thanka, W/O Mohanda, Therambath (H), Ayyamkodu, Kallur, Muttithadi, Thrissur, 680317(Final Payment For House Construction)	680317	03/11/2023	250,000	Nil	Thanka	Thanka, W/O Mohanda, Therambath (H), Ayyamkodu, Kallur, Muttithadi, Thrissur, 680317
99	1 House, Sindhu, W/O Venugopalan, Mangaparambil House, Valapad, Nattika, Thriprayar, Kerala 680567(Final Payment For House Construction)	680567	11/07/2023	250,000	Nil	Sindhu	Sindhu, W/O Venugopalan, Mangaparambil House, Valapad, Nattika, Thriprayar, Kerala 680567
100	1 House ,Krishnaveni, Choorekatt House, Ammadam, Paralam, Thrissur, 680563 (Final Payment For House Construction)	680563	31/03/2024	99,500	Nil	Krishnaveni	Krishnaveni, Choorekatt House, Ammadam, Paralam, Thrissur, 680563 +918086565207
101	1 House ,Kanakamani, C/O Rangammal, Kuthampulli Po, 680594(Final Payment For House Construction)	680594	05/09/2023	250,000	Nil	Kanakamani,	Kanakamani, C/O Rangammal, Kuthampulli Po, 680594
102	1 House ,Tharasingh M S, S/O Subrahmanian, Muriyapurakal (H), Edamuttam, Valapad, Kalimbram, Thrissur - 680568(Final Payment For House Construction)	680568	01/12/2023	250,000	Nil	Tharasingh M S,	Tharasingh M S, S/O Subrahmanian, Muriyapurakal (H), Edamuttam, Valapad, Kalimbram, Thrissur - 680568
103	1 House ,Balan N K, S/O Kuttan N K, Nambetti (H), Valapad Beach, Valapad, Thrissur 680567(Final Payment For House Construction)	680567	01/12/2023	250,000	Nil	balan N K	Balan N K, S/O Kuttan N K, Nambetti (H), Valapad Beach, Valapad, Thrissur 680567
104	1 House ,Vimala, Konokkattil(H), Kizhuthani, Thanissery, Karalam(Part), Thanissery, Thrissur, Kerala 680701(Final Payment For House Construction)	680701	14/06/2023	150,000	Nil	Vimala	Vimala, Konokkattil(H), Kizhuthani, Thanissery, Karalam(Part), Thanissery, Thrissur, Kerala 680701
105	1 House ,Raji V S, D/O Sasi, Vadassery House, Podiyan Bazar, Edavilangu, Thrissur, Kerala, 680671(Final Payment For House Construction)	680671	14/07/2023	250,000	Nil	Raji V S	Raji V S, D/O Sasi, Vadassery House, Podiyan Bazar, Edavilangu, Thrissur, Kerala, 680671
106	1 House , Bindhu, Perampallil House Mannarmoola Avittathoor Po Kaduppassery Thrissur 680683	680683	19/07/2023	100,000	Nil	Bindhu	Bindhu, Perampallil House Mannarmoola Avittathoor Po Kaduppassery Thrissur
107	1 House, Bindu V P, D/O Nadi, Valiyattiparambu, Manjeri-Kla, Malappuram, Kerala, 676121(Final Payment For House Construction)	676121	19/09/2023	50,000	Nil	Bindu V P,	Bindu V P, D/O Nadi, Valiyattiparambu, Manjeri-Kla, Malappuram, Kerala, 676121

(₹ In Lakhs, unless otherwise mentioned)

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
108	1 House, Satheeshan, S/O Gopalakrishan Thorankot House, Chalode, Edayannur P O Keezhallur,Elampara, Kannur 670595 (3rd Payment For House Construction)	670595	31/10/2023	431,000	Nil	Satheeshan	Satheeshan, S/O Gopalakrishan Thorankot House, Chalode, Edayannur P O Keezhallur, Elampara, Kannur 670595
109	Three-Wheeler Scooter, Satheesan C S, Chennamkulanga House, Pazhuvil, Thrissur, 680564	680564	10/06/2023	48,500	Nil	Satheesan C S	Satheesan C S, Chennamkulanga House, Pazhuvil, Thrissur, 680564
110	Various Medical Equipments Address:, Medical College Health Unit, Pangappara PO, Trivandurm, Pin:695581	695581	28/03/2024	150,000	Nil	medical college health unit	Medical College Health Unit, Pangappara PO, Trivandurm, Pin:695581
111	Three Wheeler Scooter, Sasi, S/O Kunjilaman, Adooparambil (H), Chandanakunnu, Community Hall, Chattikulam P O, Kodassery, Thrissur, Kerala - 680721	680721	10/07/2023	48,500	Nil	Sasi	Sasi, S/O Kunjilaman, Adooparambil (H), Chandanakunnu, Community Hall, Chattikulam P O, Kodassery, Thrissur, Kerala - 680721
112	1-Three Wheeler Scooter, Rahul K R, S/O Ramakrishnan K K, Kolloly(H), Palappilly, Nalukettu, Kizhakkummuri, Thrissur 680308	680308	13/05/2023	48,000	Nil	Rahul K R	Rahul K R, S/O Ramakrishnan K K, Kolloly(H), Palappilly, Nalukettu, Kizhakkummuri, Thrissur 680308
113	1-Three Wheeler Scooter, Deepu, S/O Mohandas, Valiyaparambil (H), Thiruvanikkavu Road, Thrissur, Kerala - 680655	680655	13/05/2023	48,000	nil	Deepu,	Deepu, S/O Mohandas, Valiyaparambil (H), Thiruvanikkavu Road, Thrissur, Kerala - 680655
*114	Infrastructure For Public Toilet Development: Address: District Fund Foundation 322g, 1b Royal Silver Tower Lachitnagar,Ulubari, Guwahati, As14, As, 781007	781007	29/03/2024	10,00,000	CSR00039719	District Fund Foundation 322G	District Fund Foundation 322g, 1b Royal Silver Tower Lachitnagar, Ulubari, Guwahati, As14, As, 781007
115	1-Incinerator, Thiruvilwamala Grama Panchayat Office, Temple Rd, Thiruvilwamala, Kerala 680588	680588	19/05/2023	23,157	Nil	Thiruvilwamala Grama Panchayat Office	Thiruvilwamala Grama Panchayat Office, Temple Rd, Thiruvilwamala, Kerala 680588

*Note: Sl. No. 84 &114 are ongoing projects completed during the current financial year (FY 2023-24). Since the asset creation was completed only in the current financial year, the amount given here includes the amount spent in previous years against these projects.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135 – The amount required to be utilized for the financial year 2023-24 has been utilized in full. Further, the amount remains unspent is pertaining to the ongoing project of the financial year 2021-22 and the same has been duly transferred to CSR unspent account as per the provisions of the statute. The amount so transferred will be spend with in a period of 3 years from the date of transfer.

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

Ms. Pushya Sitaraman
Chairperson of CSR Committee
DIN: 06537196

Date : May 22, 2024
Place : Chennai

Mr. Raveendra Babu
Managing Director
DIN: 00043622

Date : May 24, 2024
Place : Valapad

Annexure-E

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 read with
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year ended 31st March, 2024

To,
The Members,
Asirvad Micro Finance Limited
9th Floor, No. 9, Club House Road,
Anna Salai, Chennai – 600 002.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asirvad Micro Finance Limited** (CIN: U65923TN2007PLC064550) (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on 31st March, 2024 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, 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 the Audit, we hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, 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 31st March, 2024 according to the provisions of:

(i) The Companies Act, 2013 and the Rules made there under.

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

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

(iv) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.

(v) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (limited to obligations of the company)

(vi) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations 16 to 27 on comply or explain basis and Regulation 62).

(vii) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(viii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(ix) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (limited to obligations of the company)

(x) As regards the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Company being only debt listed and having issued ESOP in terms of Section 62(1)(b) read with Rule 12 of (Share Capital and Debenture) Rules,2024, and hence the said Regulations shall not be applicable.

(xi) The Reserve Bank of India Act, 1934

(xii) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016

(xiii) Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs – RBI Guidelines.

(xiv) Master Circular – Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015.

(xv) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(xvi) Master Direction- Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) directions, 2023

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

(i) the Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.

(ii) Listing Agreement for debt securities entered into with BSE Limited in respect of privately placed non-convertible debentures issued by the Company.

Based on the information and explanation provided, the Company had no transactions during the period covered under the Audit requiring the compliance of the provisions of The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Director, Non-Executive Directors, Independent Directors and Woman Director. The changes made to the composition of the Board of Directors were duly carried out during the period covered under the Audit.

Adequate notice and detailed notes on Agenda were given to all Directors at least seven days in advance to schedule the Board Meetings and consent was received from all directors in case the Board Meetings were called at shorter notice. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the Board Meeting and for meaningful participation at the Board Meeting.

Majority decision is carried through and recorded as part of the minutes. We understand that there were no dissenting members' views requiring to be captured in the minutes.

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

We further report that during the period covered under the Audit, the Company has made the following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above:

1. The Company has raised an amount of ₹ 275 Crores by issue of Non- Convertible Debentures on private placement basis.

2. The Board of Directors at their meeting held on 14th June, 2023 approved rights issue of 41,20,879 equity shares of ₹10/- each at a premium of ₹354/- per share amounting to ₹149,99,99,956/- which was allotted at the Board Meeting held on 30th June, 2023.

3. At the extra-ordinary general meeting held on 1st April 2023, the Company has passed special resolutions regarding:

    a. Increase of its borrowing powers from ₹12,000 crores to 16,000 Crores

    b. To carry on material related party transaction with Manappuram Finance Limited (Holding Company) up to a sum of ₹1000 Crore for the financial year 2023-24.

4. At the extra-ordinary general meeting held on 18th August 2023, the Company has passed special resolutions regarding:

    a. Sub-division of nominal value of one preference share of ₹100/- each to 10 preference shares of ₹ 10/- each.

    b. Re-classification of Authorised Preference Share Capital of ₹10 Crores into Equity Share capital of ₹ 10 Crores.

    c. Increase in the authorised equity share capital from ₹100 crores to ₹300 crore comprising of 30,00,00,000 equity shares of ₹10/- each.

    d. Capitalisation of reserves as per Section 63 of the Companies Act,2013 and issue of 13,35,22,248 bonus shares of ₹10 each in proportion of 2 bonus shares for every one equity share held by the members of the Company.

5. At the extra-ordinary general meeting held on 03rd October 2023, the Company has passed special resolution relating to:

    a. Making an initial public offering of equity shares in terms of Section 62(1)(c) of the Companies Act, 2013 by way fresh issue of equity shares of ₹10/- each aggregating ₹ 1500 Crores including a sub limit of ₹ 300 Crores to be issued on private placement basis in terms of Section 42 of the Companies Act,2013.

    b. Substituting the existing Articles of Association with a new set of Articles of Association.

    c. De-classifying Mr. S.V.Raja Vaidyanathan from the category of Promoter.

    d. Amending the Asirvad Micro Finance Employee Stock Option Scheme, 2019.

    e. Increasing the investment limit for Non Resident Indian (NRI) and Overseas Citizen of India (OCI) from 10% to 24% of the paid-up Equity share capital.

6. The Company has filed Draft Red Herring Prospectus (DRHP) with SEBI for Initial Public Offer amounting to ₹1500 Crore.

For **KSR & Co Company Secretaries LLP**

Dr. C. V. Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367F000433575
PR No.2635/2022

Date: 22nd May, 2024
Place: Coimbatore

KSR/CBE/A-239/133/2024-25

To
The Members,
Asirvad Micro Finance Limited
9th Floor, No. 9, Club House Road,
Anna Salai, Chennai – 600 002.

Our Secretarial Audit Report of even date **Asirvad Micro Finance Limited** (CIN:U65923TN2007PLC064550) (hereinafter called "the Company") is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We had conducted our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic mode as enabled by the Company. We state that we have not done a physical verification of the original documents and records. The management has confirmed that the records provided to us for audit through electronic mode are final, true and correct.

3. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial year ended on 31st March, 2024.

4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. Further compliance of provisions of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 is limited to compliance of corporate governance provisions and verification of filing of forms and returns thereunder.

7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KSR & Co Company Secretaries LLP**

Dr. C. V. Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367F000433575
PR No.2635/2022

Date: 22nd May, 2024
Place: Coimbatore

Annexure-F

ASIRVAD MICRO FINANCE LIMITED
NOMINATION & REMUNERATION POLICY

Introduction

The Board of Directors of Asirvad Micro Finance Limited (**"the Company"**) has constituted Nomination and Remuneration Committee (**"the Committee"**) pursuant to Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("LODR"), which is a combination of Non- Executive Directors and Independent Directors. The Committee has formulated and recommended to the Board a policy called **"Nomination &Remuneration Policy"** in adherence to Companies Act, 2013, the provisions of LODR and the regulatory framework for Non-Banking Financial Companies (NBFCs) issued by Reserve Bank of India (RBI).

This policy aims to ensure the payment of equitable, competitive remuneration to all Directors, Key Managerial Personnel (KMP), Senior Management and employees of the Company which is based on individual performance, Company's benchmark and Industry practices. It envisions that the synergy of versatile individuals with diversified skillsets at the board level will contribute to bringing the Company into great heights. Therefore, it is important to have a competent and highly professional team of board members who leads us.

Key Principles of the Remuneration Policy

The following are the set of principles that act as guiding factors:

- The remuneration of KMPs and Senior Management shall be generally aligned with the policy of the Holding Company;
- Minimize complexity and ensure transparency;
- Promote a culture of meritocracy and is linked to key performance and business drivers;
- Reflective of market competitiveness, so as to attract the best talent.

Objective and purpose of the Remuneration Policy

The following are the key objectives of the policy:

- To guide the Board in relation to the appointment and removal of Directors, KMP and Senior Management;
- To evaluate the performance of the members of the Board and provide the necessary report to the Board for further evaluation;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- To 'Pay for Performance' i.e. the remuneration shall be linked to the performance and to strike the right balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the goals of the Company;
- To ensure compliance and maintain high standards of governance.

Appointment and Removal of Director, KMP and Senior Management Personnel

1. Appointment Criteria and Qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/ her appointment;

b) A person should possess the adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position;

c) The Company shall not appoint or continue the employment of any person as, Managing Director, Whole Time Director or Manager who has attained the age of seventy years. However, in case of Managing Director, Whole Time Director or Manager, who has attained the age of seventy years his/ her appointment may be made by passing a special resolution;

d) The Committee shall undertake a process of Due Diligence based on the criteria of qualification, technical expertise, track record, integrity etc and shall ensure that proposed or existing Director meets the fit and proper criteria as prescribed by the Reserve Bank of India.

e) The Company shall obtain the declarations in the manner prescribed by RBI as applicable to the Company from time to time from all appointees and review the same and will be subject to execution of covenants as prescribed in the relevant statute.

f) Assessment of independence & Fit and proper criteria

While considering the appointment of an Independent Director, the Nomination committee and the board shall ensure that the incumbent satisfies the test of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) 2015. The board shall on a continuous basis ensure that the Independent Directors continue to maintain their independence during their tenure on the board.

To achieve the above objectives, the board may obtain proper declarations from the appointee/

Directors at the time of appointment and at such intervals as the board may deem fit.

An independent director shall not be on the Board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time. A timeline of two years is provided with effect from October 01, 2022 to ensure compliance with these norms. Further, the Board shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time. There shall be no restriction to directorship on the Boards of NBFC-BLs, subject to applicable provisions of Companies Act, 2013.

g) In case of appointment of executive Directors, non-executive Directors or Independent Directors, the Nomination committee and the board shall ensure that they meet the fit and proper criteria prescribed by the Reserve Bank of India from time to time and maintains the position during their tenure in office. The Company shall obtain the declarations in the manner prescribed by RBI as applicable to the Company from time to time from all appointees and review the same.

h) The Company has extensive borrowing relationships with almost all the leading Banks in India. Commonality of Directorships with any Bank and/or any of its subsidiary/s, is likely to impede timely flow of working funds from such Bank/s to the Company due to regulatory directions in respect of credit sanction by a Bank leading to changes in Bank's internal approval chain and delays. As the seamless flow of working funds is important, the company shall refrain from considering any candidates for on-boarding as a Director who is already serving on any Bank or any of their subsidiary Company/s Board. In the event of any candidate joining after leaving a Bank or subsidiary board with whom the company has borrowing relationships such induction shall be effective after a cooling period of 3 Months from the date of exit from the Bank Board. In case any serving member is desirous of joining any Bank or any subsidiary of such Banks Board such member may exercise choice between the Company and the Bank with due notice to the Company.

Institutionalised Process and procedure for sourcing (including internal candidates) screening, selection and appointment of KMPs.

Any appointment to the role of Key Managerial Personnel, excluding the position of Managing Director shall be proposed to the Nomination and Remuneration Committee of the Board after an initial screening and selection by a panel constituting the Managing Director and Head of HR.

Institutionalised Process for sourcing, screening, selection and appointment for whole time Directors (MDs and Eds (if applicable)).

Any appointment to the role of Managing Director/ Executive Director (if applicable) shall be proposed to the Nomination and Remuneration Committee of the Board after an initial screening and selection by a panel constituting of 3 or more Directors as may be decided by the Board, which shall mandatorily include the Chairman of Nomination and Remuneration Committee and Chairman of the Board.

The Nomination Committee shall periodically review the mix of Executive/Non -Executive, Independent/ Non-Independent Directors vis-à-vis the extant regulations. The Committee shall also review the skillsets required for a proposed candidate and the process for sourcing, selection and appointment of Independent / Non -Executive Directors, once a vacancy is identified including impending vacancies based on future retirements.

2. Tenure

a) Managing Director / Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time at the discretion of the Board. No re-appointment shall be made earlier than one year before the expiry of the term.

b) Independent Director:

An Independent Director shall hold office for a term up to maximum five consecutive years on the Board of the Company and will be eligible for re-appointment for another term of maximum five year on the passing of a special resolution by the Company. Independent Directors shall not retire by rotation.

The Chairman/ Managing Director of the Company shall issue and sign the appointment letter of Independent Directors.

3. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said act, rules and regulations.

4. Succession planning for appointment to board and senior management positions.

The board may identify suitable persons to be appointed to the board positions for filling up vacancies.

The vacancies caused by the exit of an Independent Director may be filled by the appointment of an Independent Director. However, if the vacancy does not affect the strength of minimum required Independent Directors, the board may or may not fill the vacancy as it may deem fit.

Suitable candidates may be identified by the Directors from reputable references or from data banks maintained by industry associations, professional bodies or nongovernmental organizations or by inviting applications through any media.

Vacancies in senior positions in the Company may be filled by a system of promotion of existing employees based on appropriate screening procedures set by the Nomination committee from time to time. In the event of no suitable candidate being found fit for promotion, a suitable person from any of the group companies, or from outside may be chosen.

Company may identify critical positions and shall devise a system of proper mentoring to identify officers of the Company to take up the senior positions wherever a vacancy is caused to ensure the business continuity in the best interest of the Company.

5. Remuneration to the Directors, KMP and Senior Management Personnel

i) Executive Directors and Non- Executive Directors/ Independent Directors

- The remuneration and commission of Executive and Non- Executive Directors/ Independent Directors shall be recommended by the Committee to the Board of Directors and shall be subject to the provisions of Companies Act, 2013.
- The remuneration for Executive Directors shall be arrived at by considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry, future contribution, etc. The elements of the remuneration and limits are applicable as defined in the Companies Act, 2013 and rules/ schedules made thereunder.
- The remuneration of Executive Directors shall be divided into two components i.e. fixed and variable. The fixed component comprises salary, allowances, perquisites, provident fund, gratuity etc. The variable component comprises annual performance pay which may be a fixed amount as decided by the Board. In addition to this, the Executive Director may also be offered and allotted shares under the Employee Stock Option Scheme (ESOS) of the Company.
- At the beginning of each financial year NRC with the approval of the Board shall prescribe KPIs for MD and Executive Directors.
- Any variable pay shall be in compliance with RBI guidelines contained in circular dated April 29, 2022
- The Non-Executive and Independent Directors of the Company would be paid sitting fees within the permissible limits prescribed under the Companies Act, 2013 and rules framed thereunder for attending meetings. The sitting fee shall be decided by the Board from time to time on the recommendation of the Committee.
- In case of profits/inadequate profits/ losses, the Directors may also be paid remuneration by way of Commission as defined in the Companies Act, 2013 read with Schedule V of the said Act. The Committee shall recommend to the Board for the payment of Commission to Directors.
- The Board of Directors shall decide the actual amount to be paid to each Non-Executive/ Independent Director based on factors such as meetings attended by the Director, time and effort put in and contribution made by them.
- Independent Directors shall not be entitled to stock options.

ii) KMP and Senior Management

Compensation Policy for KMP and Senior Management is annexed as Annexure A.

Membership & Quorum:

The Committee shall consist of :

(a) the committee shall comprise of at least three directors.

(b) all directors of the committee shall be non-executive directors; and

(c) at least two-thirds of the directors shall be independent directors

Chairperson:

The Chairperson of the nomination and remuneration committee shall be an independent director.

The chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of the Nomination and Remuneration Committee and shall not chair such Committee. Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required but at least once in a year.

POLICY ON DIVERSITY OF BOARD OF DIRECTORS

This policy on diversity is largely framed to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of the members in a way that collectively benefits the organization and business. The basic essence is to provide a framework for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business. A truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that the Company retains its competitive advantage.

The Company believes that a diverse Board will amongst others–

a. Enhance the quality of decisions making and ensure better business performance.

b. Encourage diversity of perspectives thereby fuel creativity and innovation.

c. Complement and expand the skills, knowledge and experience of the Board as a whole.

d. Provide better Corporate Governance.

The board of Directors of the Company should have a fair combination of executive and non-executive Directors with not less than 50 percent being Non-Executive Directors. The Company shall maintain the strength of Independent Directors on its board keeping in mind the regulatory requirements and guidelines on Corporate Governance.

The Company shall appoint Directors keeping in mind an ideal diversity in knowledge or expertise that could add value to the overall performance of the board and of the Company. The desired diversity may be fixed by the Nomination and Remuneration Committee ("the Committee") based on the nature of business of the Company from time to time. The diversity of the total board may include the following;

Expertise in;

i. Banking, Finance, Accountancy, Taxation

ii. Governance, Regulatory background, Law and practice

iii. Management, Administration

iv. Engineering, Human resource, Subject of social relevance

v. IT, Marketing

Considering the need for professional experience in managing the affairs of NBFCs, at least one of the directors shall have relevant experience of having worked in a bank/ NBFC.

All Board appointments will be done on merit, in the context of skills as required for the areas of our business operations, management and also expertise in the fields of regulatory, legal, research, human capital management, strategic planning, marketing and general administration.

The Committee is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

Any new member proposed to be inducted in the Board, preferably to be with Corporate Board Experience of at least 3 years in any related customer facing and regulated company.

The Nomination Committee is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions with the prescribed requirements in consultation with the Board.

While all appointments to the Board will continue to be made on merit, the Committee will consider the benefits of diversity (including but not limited to the attributes listed above) in identifying and recommending persons for Board membership, as well as in evaluating the Board and its individual members.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a Board member.

Accordingly, the Committee shall:

1. assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board,

2. make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience and expertise on the Board, and

3. periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

Annexure – A

Asirvad Micro Finance Limited
Compensation policy

(Applicable for Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) and Other Employees)

Effective from: This Policy is effective for the financial year 2024 and onwards.

1. Objective of the policy

The policy seeks to achieve the following objectives.

a) To establish guidelines for remunerating employees fairly and in keeping with Statutes

b) To determine a level of compensation based on the Company's business outlook, financial position, growth and trends and practices on remuneration prevailing as the best practices in competitive compensation based on fairness and equity

c) To align reward and recognition mechanism directly to the effort, commitment, performance, dedication, and achievement relating to the Company's operations

d) To attract, retain, motivate, and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

e) To 'Pay for Performance' i.e., the compensation shall be linked to the performance and to strike the right balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the goals of the company.

f) To ensure compliances and maintain high standards to governance. In the context of the aforesaid, the following policy has been formulated

2. Scope of the policy

This Policy is applicable to all Key Managerial Personnel (KMPs) including While time Directors and other members of the Key Managerial Personnel, Senior Management personnel (SMPs) of the Company (hereinafter together referred to as "Covered Employees").

3. Definition(s)

3.1. "Key Managerial Personnel" (KMP) as defined in section 2(51) of the Companies Act, 2013("the Act") means:

(i) the Chief Executive Officer or the Managing Director.

(ii) the Company Secretary.

(iii) the Whole-time Director.

(iv) the Chief Financial Officer.

(v) such other officer, not more than one level below the CEO who is in whole time employment, and designated as Key Managerial Personnel by the Board: and

(vi) such other officer as may be prescribed.

3.2. "Senior Management" shall mean officers/personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

3.3. Nomination and Remuneration Committee ("NRC") shall mean a committee of the Board having the constitution, powers, functions, and duties as laid down in section 178 of the Companies Act, 2013, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Guidelines and other applicable legal provisions.

3.4. A "malus" arrangement shall mean where the Company prevents the vesting of all or part of the amount of a deferred remuneration /Benefit.

3.5. A "clawback" arrangement shall mean a contractual agreement between the Covered Employees and the Company in which the Covered employee agrees to return previously paid or vested remuneration to the Company under certain circumstances or empowers the Company to recover previously paid or vested remuneration by the company under certain circumstances.

3.6. "Retention period" shall mean a period of time after the vesting of instruments which have been awarded as deferred compensation during which they cannot be sold or accessed.

4. Underlying Principles for the policy

The policy is prepared based on certain specific principles in the context of our operations as detailed below.

- To align the compensation with the long-term interests of the Company and its shareholders/ stake holders.
- To be transparent as far as possible simultaneously ensuring less complexity.
- Align the parameters to annual business performance of the company.

- To ensure meritocracy and is linked to key performance and business drivers.
- Reflective of market competitiveness so as to attract the best talent.

5. Compensation Structure

The broad structure of compensation payable to Covered Employees shall be as under:

5.1 Fixed Pay

Fixed pay has components like basic salary and other allowances as per the grade and position fixed by the Company based on the scale and position of the employee in the company in accordance with the HR policy in force and may include benefits such as company provided car, medical & dental benefit, loans, insurance benefits, vehicle fuel and maintenance expenses, club membership, mobile instruments, etc., as per the Policy of the Company. Retirals such as PF, Gratuity & contribution towards pension fund Joining / sign-on bonus for new KMP / Senior management hiring may not be part of fixed pay.

5.2 Variable Pay

Cash component:

a) Annual component - based on individual performance against Key Performance Indicators (KPIs) agreed between the employee concerned and the Company which shall be made operative subject to overall company's performance being in line with budgetary objectives. While the KPIs will be set by the NRC in respect of Whole time Directors, KPIs in respect of KMPs and SMPs who are subject to variable pay shall be fixed by Managing Director in consultation with NRC. Such amounts are paid in cash at the end of the review period to the concerned employee and will be based on the assessment with the approval of the NRC/ Board

b) Joining / sign-on bonus for new KMP / Relocation incentive/severance pay etc. Such payments are paid in cash or reimbursement wherever applicable as per the rules of the company applicable.

c) Deferred annual compensation: Certain portion of the performance based variable pay, (Annual component) as decided by NRC/Board, may be deferred. Such deferral may be made applicable to cash and non-cash components of variable pay. The quantum and the deferral period of such deferral arrangement may be decided by the NRC/Board. Conditions applicable for the payment of such deferrals including in the event of severing relationship with the company, any unforeseen events associated with the beneficiary of the payment may be decided by the NRC/ Board. The vesting of deferred cash component of variable pay would continue as per schedule decided by the NRC/Board at the time of deferral even after separation of the employee from the services of the company except in the event of this separation being on account of Malus or Claw back provisions being applicable. In the event of death or permanent disability of the individual unvested portions of variable pay will vest immediately except in situations where provisions of Malus / Clawback as applicable will apply.

d) Employee Stock Options (ESOP) granted under approved ESOP schemes of the Company with attendant conditions and vesting schedule post the grant.

e) Restricted stock unit (RSU): Involving awarding of shares, as a form of employee compensation with attendant conditions to be met by the employee concerned. Such RSUs are issued to employees through a vesting plan and distribution schedule after they achieve required performance milestones or upon remaining with their employer or a particular length of service etc. The company do not have any existing arrangement to issue RSUs and in the event of any such arrangement being sought it shall be with the prior approval of the NRC/Board.

5.3 Principles and procedures applicable for Variable pay

a) Variable pay as a proportion of total remuneration increases as roles and responsibilities increase.

b) The percentage distribution of total remuneration could vary basis roles and responsibility and performance in a given financial year

c) Wherever any employee is paid a variable pay it shall be subject to well defined performance indicators clearly articulated with the employee. Such KPIs shall clearly link the performance with the total remuneration paid to an individual. This is shared at the start of the year with KMP and members of senior management Personnel (SMP).

d) The annual performance management process of the company gets initiated at the start of the financial year with goal setting. At the end of the year, the individual is evaluated on the performance delivered basis individual, business/ function unit's and company's performance. In addition, the individual is also rated on leadership demonstrated during the year.

5.4. Procedure for application of Variable pay to Individual cases.

At the beginning of each accounting year Management in consultation with NRC shall devise the detailed sets of KPIs applicable to employees being considered for payment of variable pay (in cash or non-cash) along with the parameters applicable to each employee. The exercise will cover, besides setting goals/KPIs for the

year under review, the quantum of variable pay in cash, the portion of variable pay to be considered for deferral, the non-cash component of variable pay (ex. ESOP etc.) applicability of Malus. Clawback etc within the overall ratio of fixed versus variable pay prescribed in the policy/ regulations. Accordingly, the final KPI will be signed off by the Management with the employee individually.

At the end of the accounting year (review year) management through the reporting authority will carry out the assessment of performance of individual employee vis a KPIs assigned and signed off at the beginning of the year. This exercise by the reporting authority/s will determine the final amount of the variable pay for the year and the split between cash, non-cash and also the portion of the amount subjected to deferral, claw back and Malus, the period for which these will prevail. The amount so decided will be communicated to the employee.

6. Compensation for Control and assurance function personnel

a) The goal setting and performance appraisal process of the company ensures that KMPs and senior management engaged in financial control, risk management, compliance and internal audit have performance measures that are independent of the business areas they oversee.

b) The RMC and Audit committee of the Board reviews their performance independently and advises the company on their performance which in turn results in the variable part of their compensation.

7. Role of NRC:

a) NRC shall be responsible for framing, review, modifying and implementation of this Policy, subject to the approval of the Board of the Company.

b) NRC shall recommend to the Board, all remuneration, in whatever form, payable to KMPs and Designated Senior management personnel (SMPS).

c) NRC shall ensure that related RBI Guidelines pertaining to the composition and proportion of fixed and variable pay shall be adhered to while determining the compensation of the KMPs and SMPs, including but not limited to the following conditions:

- The compensation shall achieve a fine balance between the attractiveness for the concerned employee on one hand and profitability & capital adequacy of the Company on the other hand.
- For all reimbursements, which are part of the fixed pay, there should be a monetary limit specified in the internal grade-wise policies of the Company.
- Proportion of variable pay vis a vis Fixed pay shall be dependent on the level of the employee, roles they carry.
- Any variable pay will be subject to delivery of Key Performance indicators as decided by the NRC/Board. Such KPIs will be set at the beginning of the financial year after due discussion with the concerned officer.
- Care shall be taken to ensure that critical control functions are not rewarded for business performances.
- NRC in consultation with the Board shall also determine representative set of situations for invoking the malus claw back arrangements as detailed separately in this policy under para;

8. Malus and Clawback provisions

8.1. Malus: A malus is a feature of a remuneration arrangement that reduces the amount of a deferred incentive/ bonus, so that the amount of the payout is less than the amount of the bonus/incentive awarded. Accordingly once Malus is invoked/triggered the amount of the payout is less than the amount of the incentive. Examples are stock options granted and is waiting to be vested. Malus arrangement does not reverse a vested right after it has already occurred.

8.2. The term clawback or claw back refers to any money or benefits that have been given out but are required to be returned (clawed back) due to special circumstances or events, such as the monies having been received as the result of a defined event triggered due to a clawback provision in the compensation. This policy proposes to make the variable (in full or part) part of the compensation subject to Malus /Clawback arrangement. While a malus arrangement permits the company to prevent vesting of all or part of the amount of a deferred remuneration and clawback, on the other hand, is a contractual agreement between the employee and the Company in which the employee agrees to return previously paid or vested remuneration to the Company under certain circumstances.

8.3. Applying of Malus / Clawback arrangement on entire or part of variable pay on occurrence of the following Situations: identified fraud / misconduct by the executive (whole-time directors, Chief Executive Officers / Material Risk Takers (MRTs)) pertaining to the corresponding period for which the clause to be applied. Malus & Clawback awards of variable pay will be subject to ex-ante / ex-post risk based assessment, on an annual basis at the time of allocation / vesting. 'Malus' (the reduction or cancelation of unvested awards) or 'Clawback' (recovery of payments already made) shall be implemented as under;

The Company shall, as a matter of principle prior to any action under this provision, will ensure due regard to the principles of fairness and Natural Justice in the administration of the process of implementing the provisions.

9. Circumstances under which application of Malus and Clawback is to be considered

Variable pay part of Compensation will be subject Malus and Clawback arrangements in the event of occurrence or circumstances as detailed below;

NRC may duly take into consideration factors that were within control of the person (the subject employee), and/ or beyond reasonable control on account of conditions such as macro events, market conditions, industry performance, changes in legal/regulatory requirements, force majeure events like occurrence of natural disasters, pandemic, other socio-economic conditions etc in administering the Malus and clawback provisions.

Certain instances of such events (not exhaustive) are given below;

a) Material breach of company's Code of Conduct, any Non-Disclosure Agreement, regulatory procedures, internal rules and regulations or any other such instance for which the NRC, in its discretion, deems it necessary to apply Malus or / and Clawback provisions.

b) Fraud, breach of trust, dishonesty, or wrongful disclosure by the employee of any confidential information

c) Willful misinterpretation / misreporting of financial performance of the company

d) Any misconduct pertaining to moral turpitude, theft, misappropriation, corruption, forgery, embezzlement or of 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, grossly negligent conduct which is detrimental to the interest or reputation of the company.

g) Malus may also be applied in the situation of significant deterioration of financial or risk performance from one financial year to the next. The performance measures defined as part of goal setting process of the company, business threshold metric and sustainable business strategy framework would form the primary considerations for evaluating the application of Malus in this condition

h) Any events such as relating to information security events, fraud, consumer abuse, regulatory inspection observations (including awarding of lower (adverse) grades by the regulator) resulted on account of lack or deficiency or inadequacy of oversight by the subject person

i) Any other events in the opinion of NRC/Board that has resulted in significant financial and or reputational loss

j) Above events are to be considered by the NRC for application of Malus and Clawback where they result in significant loss to the company or its shareholders.

k) Circumstances that may trigger Malus or Clawback provisions will be reviewed periodically by the NRC.

10. Application of Malus & Clawback provisions

a) NRC will review the requirement to invoke the Malus or Clawback provisions in the event one or more of the circumstances come to light.

b) The review by the NRC will aim to determine the involvement, accountability, severity and willful nature of the act of the concerned person/s.

c) Bonafide errors of judgment will not be subject to Malus provisions.

d) The provision of a Malus arrangement would entail cancellation of deferred portion of variable pay. The NRC may decide to apply Malus on part, or all of the unpaid cash portion of variable pay or unvested ESOPs basis level of involvement, proportionality and impact.

e) The provision of Clawback arrangement would entail return of already paid variable pay in cash and/ or ESOPs attributable to a given reference year to which circumstances triggering the provisions of Malus and Clawback are related.

f) The NRC may decide to apply Clawback on part, or all of variable pay basis level of involvement, proportionality and impact.

g) NRC/Board at its discretion shall decide any threshold amount below which the retention period of deferral, vesting period of any non-cash based incentives and application of clawback on paid incentives.

11. Operational procedure Malus/Clawback

a) As detailed in para 5.4 the exercise will decide the detailed arrangements for invoking deferral payment (retention) of cash incentives, malus and claw back provisions. Once the exercise is finalized appropriate advice/agreement will be signed with the subject employees upon granting.

b) Subsequent to granting the arrangement concluded at the end of the accounting year will be reviewed by the NRC/Board every year to decide on invocation of one or more arrangements with the beneficiary employees.

c) In the event of a decision by the NRC/Board to invoke the arrangement vis a vis any of the subject employee management will initiate actions with appropriate notices to the employee concerned.

d) Period: Retention, Malus and clawback provision on any individual cases shall apply for a period of 3 years after the date of grant of the underlying variable pay to the employee concerned.

Provided that variable pay upto and inclusive of ₹ 25 lakhs may be exempt from the application of these provisions.

12. Approval and Amendments

a) The Board may, subject to applicable laws, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the policy entirely with a new policy, based on the recommendation(s) of NRC, from time to time.

b) Statutory/ regulatory provisions and any amendments thereon, made from time to time shall be binding on the Company and will be complied even if not specifically incorporated in this Policy.

13. Limitation

In the event of any conflict between the provisions of this Policy and the Regulatory prescriptions (including The Companies Act 2013, SEBI LODR and directives of The Reserve Bank of India) the regulatory provisions will prevail over the policy.

14. Review of the policy

The policy will be reviewed annually by the Board or earlier as the Board may chose.

Annexure-G

DETAILS OF THE EMPLOYEES STOCK OPTION SCHEME IN TERMS OF RULE 12 (9) OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014

The Company has granted the options under "Asirvad Employee Stock Option Scheme, 2019" and following are the details pertaining to Financial Year 2023-24

Option granted	8,30,000 (Overall options granted under the Scheme) NIL granted during FY 2023-24
Option outstanding	64,750 Options (Outstanding as on April 01, 2023)
Options vested	28,875 (Options vested during Financial year 2023-24)
Options exercised	NIL
The total no. of shares arising as a result of exercise of option.	NIL
Option lapsed	47,250 Options
The exercise price	₹ 364/ per option/ equity
Variation of terms of option	-
Money realized by exercise of options	-
Total no. of options in force	17,500 (Outstanding as on March 31, 2024)
Employee wise details of options granted to:-	
a) KMP	Nil
b) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Nil
c) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V P Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 24, 2024
Place: Valapad

Annexure-H

A. CONSERVATION OF ENERGY

i. The steps taken or impact on conservation of energy

Asirvad is committed to reduce carbon emission from environment and conserve energy. Asirvad distributes/ facilitates/promotes products like solar lantern, improved cook stoves and inverter bulb. Asirvad has partnered with Microenergy Credits (MEC) to be part of the Global Clean & Renewable Energy program under UNFCCC.

ii. The steps taken by the company for utilising alternate sources of energy

Asirvad is committed to utilise and support utilising alternate sources of energy. Adoption of clean energy is perceived to be prohibitive to most household. MEC works by partnering with Micro Finance Institutions and NBFCs which already serve low income and rural households. Asirvad has partnered with MEC to provide training, technical and operational assistance to help MFI customers adopt and increase usage of energy efficient and well as alternate sources of energy.

iii. The capital investment on energy conservation equipment

There was no capital investment spent on energy conservation investments as company acts as a facilitator.

B. TECHNOLOGY ABSORPTION

i. The efforts made towards technology absorption

Recognizing the challenges inherent in the microfinance business on account of having a large borrower base that is expansive and primarily based in rural areas, we have focused on strengthening our infrastructure through digital means. We have made significant investments in technology to strengthen our borrower onboarding mechanisms and business processes, from borrower acquisition through the loan's lifecycle management, including appraisal, sanction, disbursement, monitoring and recovery. We have received ISO 2001 2013 certification from BSI for the operationalisation for information security control.

We have a core banking solution-based loan management system ("LMS") integrated with core business functions of digital and offline collections, human resources and attendance, dedicated learning platform, borrower support, borrower grievance redressal, accounting, treasury, asset management and legal tracking. The LMS is seamlessly integrated with digital service providers for borrower credential validation, credit worthiness verification, bank account validation, digital and offline collection, workflow management, paperless approvals, digital meetings, among others.

Our financial accounting package, HRMS system, are all largely integrated with the loan management system. These systems have been developed by our internal team along with our IT vendor – Manappuram Comptech and Consultants Limited ("MACOM"), a member of our Promoter Group and our Group Company, as well as through the support of other IT vendors that have been engaged by us or by MACOM. MACOM's identity as a subsidiary of our Promoter provides allows us to rely on it and ensure confidentiality in services availed, ensuring the integrity of our infrastructure and IT systems.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

- Paperless data capturing and speedy borrower onboarding
- Use of Aadhar and voter identity card, which we are able to digitally verify through APIs; name and address of borrowers are updated digitally; mobile number is verified through OTP authentication; and delinquency levels of new borrowers are verified through real time credit bureau checks.
- Risk wise controls such as automatic KYC verification; built-in age criteria checks; use of two KYC details for more accurate credit bureau reports; and dedupe check for primary KYC, secondary KYC, mobile number and bank account number checks. Instead of separate front end teams that acquire borrowers and a back-end team that undertakes KYC checks, our onboarding process is driven by automation and digital checks that provide immediate response on KYC verification.
- Data stack is able to capture information as provided by borrowers such as house type, assets, income, expenses and existing EMI details to check reliability of income and expense data
- Track and monitor group meetings, attendance, demand, collections, delinquencies on a real time basis for each centre.
- Flexibility of online digital payments to borrowers based on our own application as well as on third-party payment applications that are mobile and web-based.

- Borrowers can also view and monitor their account statements though our'Asirvad Customer Self Service App'.
- Workforce management tool enables us to track activities of field officers

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a) the details of technology imported

b) the year of import

c) whether the technology been fully absorbed

d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

Not Applicable

iv. The expenditure incurred on Research and Development

Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Description	Nature	Currency	Amount in ₹
Interest	Outgo	EUR and USD	23,66,81,614.21
Hedging Cost	Outgo	EUR and USD	1,90,17,479.03

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V P Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 24, 2024
Place: Valapad

Annexure-I

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members,
Asirvad Micro Finance Limited
9th Floor, No. 9, Club House Road,
Anna Salai, Chennai – 600 002.

We have examined documents, books, papers, minutes, forms and returns filed and other records maintained by the Company and all the relevant records for certifying the compliance of conditions of Corporate Governance by **Asirvad Micro Finance Limited** (**CIN U65923TN2007PLC064550**) (the Company) for the year ended 31st March, 2024, as stipulated in Regulation 34 (3) read with Para E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. The management along with the Board of Directors are responsible in implementation and maintenance of internal control and procedures to ensure compliance with conditions of corporate governance as stated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

Our Responsibility

Our examination was limited to implementation of the conditions thereof and adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). It is neither an audit nor an expression of opinion on the financial statements of the Company.

Our Opinion

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance as specified in regulations 16 to 27 on a comply or explain basis, regulation 62 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KSR & CO COMPANY SECRETARIES LLP**

Dr. C. V. Madhusudhanan
Partner
FCS: 5367; CP: 4408
UDIN: F005367F000433784
PR No.2635/2022

Date : 22nd May, 2024
Place : Coimbatore

Annexure-J

REMUNERATION DETAILS OF DIRECTORS, KMPS, AND EMPLOYEES

1. REMUNERATION DETAILS OF TOP TEN EMPLOYEES

Employee Name	Designation	Nature of Employment	Age	Date of joining (Asirvad)	Qualification & Experience	Last Employment	% of equity shares held in the Company	Relative of any Director or Manager of the Company	Total Earnings FY 2023-24 (₹ in Lakhs)
B N Raveendra Babu	Managing Director	Full Time	72	01-06-2020	Master's Degree in Commerce (Certificate from Institute of certified Management Accounts UK) Experience: 30 years	Executive Director –Manappuram Finance Limited	0.09%	No	204.34
Adinadh K R	Chief Information Security Officer	Full Time	38	01-06-2020	PH. D Experience: 10 Years	Manappuram Comptech and Consultants Limited -Vice President -IT	Nil	No	40.42
Joshy K G	Chief Technology Officer	Full Time	45	10-03-2022	Chartered Accountant Experience: 13 Years	Manappuram Finance Limited-General Manager	Nil	No	34.48
Rajesh K R N Namboodiripad	Chief Financial Officer	Full Time	48	01-12-2021	Chartered Accountant Experience: 28 Years	Manappuram Finance Limited-General Manager	Nil	No	31.64
Chintha Prasad	Chief Executive Officer- MFI	Full Time	40	04-12-2019	M.B.A (Finance) Experience: 17 Years	Manappuram Finance Limited- AGM Operations	Nil	No	23.19
Muthu Bhaskar	Business Head– Gold Loan	Full Time	43	01-06-2020	M.B.A (Finance) Experience: 18 Years	Manappuram Finance Limited-General Manager-Head Operations	Nil	No	20.59
Rajesh Paila	Senior Assistant General Manager	Full Time	38	18-03-2020	M.B.A (Finance) Experience: 18 Years	Manappuram Finance Limited-Chief Manager	Nil	No	19.48
Basavraj M Shetty	Chief Investor Relations Officer	Full Time	50	09-10-2023	M.B.A Experience: 21 Years	EASEMYTRIP-Head	Nil	No	30.99
Thangappan V	General Manager	Full Time	49	19-11-2008	B. Com Experience: 15 Years	Smile / Mahasemam-Area Manager	Nil	No	24.22
Jiji Joseph	Internal Auditor and Head of Internal Audit	Full Time	34	11-10-2022	I.C.W.A Experience: 09 Years	Manappuram Finance Limited-Chief Manager	Nil	No	22.95

2. EMPLOYEES EMPLOYED THORUGHOUT THE FINANCIAL YEAR AND DRAWING A REMUNERATION OF 1.02 CRORE OR ABOVE PER ANNUM:

Employee Name	Designation
BN Raveendra Babu	Managing Director

Employee Name	Designation	Nature of Employment	Age	Date of joining	Qualification & Experience	Last Employment	% of equity shares held in the Company	Relative of any Director or Manager of the Company	Total Earnings FY 2023-24 (₹ in Lakhs)
Raveendra Babu BN	Managing Director	Appointed by Board for a term of Five years till 30th May, 2026	72	01-06-2020	Master's Degree in Commerce (Certificate from Institute of certified Management Accounts UK) Experience: 30 years	Executive Director – Manappuram Finance Limited	0.09%	No	204.34

3. EMPLOYEES EMPLOYED FOR A PART OF THE FINANCIAL YEAR AND DRAWING A REMUNERATION OF NOT LESS THAN EIGHT LAKHS AND FIFTY THOUSAND RUPEES PER MONTH

Employee Name	Designation	Nature of Employment	Age	Date of joining	Qualification & Experience	Last Employment	% of equity shares held in the Company	Relative of any Director or Manager of the Company	Total Earnings FY 2023-24
Nil									

4. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.- NA

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V P Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 24, 2024
Place: Valapad

Independent Auditors' Report

To the Members of Asirvad Micro Finance Limited.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Asirvad Micro Finance Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("the SAs") specified under sub-section (10) of section 143 of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Expected Credit Loss - Impairment of carrying value of loans and advances** Refer to Note 3(i) of significant accounting policies and Note 39. Under Ind AS 109, Expected Credit Losses ('ECL') are required to be determined for recognizing impairment losses on financial assets which are stated at amortized cost. The Company exercises significant judgment using assumptions in recognizing impairment provision for loans and advances. The computation of impairment provision or ECL is based on significant management estimates and judgments, which are as under: • Judgements about credit risk characteristics for collective evaluation of impairment under various stages of ECL • Qualitative and quantitative factors used in staging the loan assets carried at amortized cost.	We performed following audit procedures: • Read the Company's Board approved Ind-AS 109 based impairment provisioning Methodology and Estimates policy. • Understood and assessed the Company's processes and controls on measurement and recognition of impairment in the loan portfolio • Verified on a sample basis, loans in stage 1, 2 and 3 to ascertain that they were allocated to the appropriate stage • Test checked the Probability of Default ('PD') and Loss Given Default ('LGD') computations performed by the management, including testing data used in assessment and evaluation of whether the results support appropriateness of the PDs at a portfolio level • Test checked the computations of determining Exposure at Default (EAD) • Test checked the manner of determining significant increase in credit risk and the resultant basis for classification of exposures into various stages

Sr. No.	Key Audit Matter	Auditor's Response
	• Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). • Consideration of probability scenarios and forward looking macro-economic factors ECL requires a large variety of data such as historical data, macro-economic & state specific variables as an input to the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In view of the criticality of the item to the Financial Statements, complex nature of assumptions, & judgements exercised by the management and loans forming a major portion of the Company's assets and impairment charge for the year being material to the net profit for the year, in our opinion this is considered as a Key Audit Matter.	• Performed an assessment of the ECL provision at each stage to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment. • Tested the arithmetical accuracy of the computations made by the Company • Perused the disclosures in the financial statements in respect of ECL and specific disclosures made in adherence with RBI guidelines related to COVID-19 packages. • We have also obtained management representations wherever considered necessary.
2.	**IT Systems and Controls** The Company operates in a complex IT environment that involves substantial reliance on its IT systems which are extensively used in the operations of the Company for processing and recording voluminous data impacting key financial data including loans, interest income, repayment collections data and impairment of financial instruments. These IT systems are also extensively used in the financial reporting process. Adequate IT General Controls, application controls and access controls are required to ensure that such IT systems are able to process the data to ensure data consistency, accuracy and reliability especially for financial reporting. We have identified IT Systems and Controls impacting financial reporting as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture including its extensive use in the financial reporting process. Our audit outcome is dependent on the effective functioning of such IT systems.	We performed audit procedures set out below: • Obtained an understanding of the Company's business IT environment and key changes if any during the audit period that may be relevant to the audit. • Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis. • We have tested and reviewed on the sample basis computation performed by the IT systems including that of interest income. • We have placed reliance on audit report issued by the independent third-party auditor as appointed by the Company for review of Information Security and IT General Control. • We have also obtained management representations wherever considered necessary

Emphasis of Matter

We draw attention to Note 64 to the Standalone Financial Statements where pursuant to the requirements of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors, during the year, the Company has carried out restatement of the comparative financial information for the year ended 31 March 2023, and reporting periods beginning 01 April 2022.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and The Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be

materially misstated when we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) "The Auditor's Responsibilities Relating to Other Information".

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

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

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

In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an 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 Standalone Financial Statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS 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 at March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;

   f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended;

   g) With respect to the adequacy of internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **'Annexure B'**.

3. 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:

   a) the Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 41 to the Standalone Financial Statements as at March 31, 2024;

   b) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2024;

   c) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024; and

   d) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the standalone financial statements (Refer Note 61 to the Standalone Financial Statements), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 notes to the accounts (Refer Note 61 to the Standalone Financial Statements), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

e) The Company has neither declared any dividend nor paid any dividend during the year.

f) Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that audit trail feature is not enabled for direct changes to database in certain data tables at the database level. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act;

For M. P. Chitale & Co
Chartered Accountants
ICAI Firm Registration No.: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership No.: 143700
UDIN:24143700BKFYEX9743

Place: Pune
Date: May 22, 2024

Annexure A

to the Independent Auditors' Report – March 31, 2024

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report to the members of the Company of even date:

(i) (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment including intangible assets.

(b) In our opinion, the Company's program of physically verifying Property, Plant and Equipment once in three years, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, the physical verification of Property, Plant and Equipment were physically verified by the Company during the current year. We were informed that no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) classified as Property Plant and Equipment, are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

(e) According to the information and explanations given to us and based on management representations, there are no proceedings initiated or pending against the Company as at March 31, 2024, for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is in the business of providing micro finance loans and therefore, it does not hold any physical inventories. Accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions based on the security of current assets. According to the information and explanation given to us and the records examined by us, the quarterly returns, or statements, were not required to be filed by the Company during the year as these working capital limits utilised during the year were against liquid securities placed with such banks or financial Institutions

(iii) (a) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) The investments made, guarantees provided, security given and loans and advances granted in our opinion, prima facie, are not prejudicial to the interest of the Company.

(c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 2,21,925 cases having loan outstanding balance at year end aggregating to ₹. 18,363.31 Lakhs wherein the repayments of principal and interest are not regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where repayment of principal and interest have not been regular.

(d) In respect of loans granted by the Company, the total amount overdue for more than 90 days as at the balance sheet date are as under;

No. of cases	Principal overdue (₹ Lakhs)	Interest overdue (₹ Lakhs)	Total amount (₹ Lakhs)
2,21,925	14,926.82	3,436.49	18,363.31

According to the information and explanation given to us and the records examined by us, the Company has taken reasonable steps to recover the principal and interest amount.

(e) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

(iv) There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are attracted. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, 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 Companies 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) According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended for the services of the Company, and, hence, reporting on clause 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, and on the basis of examination of the books of account of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amount payable was outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to records of the Company and the information and explanations given to us, there are no statutory dues as mentioned in sub clause vii(a) above which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Details of dues of Income Tax, which have not been deposited as at March 31, 2024, on account of dispute are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ in Lakhs)
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2015-16	1,124.50
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2016-17	1,978.91
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2017-18	1,348.79
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2020-21	1,953.49
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2021-22	501.38

(viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments made during the year under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, 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 as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

(c) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised, other than funds temporarily placed in Bank accounts and Bank Fixed Deposits aggregating to ₹.60,700 lakhs, pending utilization of funds as per respective sanction terms.

(d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been, prima facie, used for long term purposes during the year by the Company.

(e) The Company does not have subsidiary, associate or joint venture Company, accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have subsidiary, associate, or joint venture, accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not raised any money by way of an initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) According to information and explanation given to us, and on the basis of examination of the books and records of the Company, we have come across instances of frauds on the Company amounting to

₹. 2,015.71 Lakhs (Aggregate amount), which have been noticed and reported during the year.

(b) A report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(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 our audit procedures.

(xii) The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transaction with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports provided to us for the year under audit, and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

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

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial activities or Micro Finance activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India.

(d) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year

(xviii) There has not been any resignation of the statutory auditors of the Company during the year hence reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. 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) Other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility ('CSR') to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amounts as at the end of the current financial year, to a Special account within a period of 30 days from the end of the current financial year in compliance with the provision of section 135(6) of the Act.

(xxi) Reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements of the Company. Accordingly, no Comment has been included in respect of the said clause under this report.

For M. P. Chitale & Co
Chartered Accountants
ICAI Firm Registration No.: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership No.: 143700
UDIN:24143700BKFYEX9743

Place: Pune
Date: May 22, 2024

Annexure B

to the Independent Auditors' Report – March 31, 2024

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

We have audited the Internal Financial Controls with reference to the Standalone Financial Statements of **Asirvad Micro Finance Limited** ('the Company') as at March 31, 2024, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

For M. P. Chitale & Co
Chartered Accountants
ICAI Firm Registration No.: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership No.: 143700
UDIN:24143700BKFYEX9743

Place: Pune
Date: May 22, 2024

Balance Sheet as on March 31, 2024

CIN-U65923TN2007PLC064550

(All amounts in ₹ lakhs unless otherwise stated)

Particulars		Note No.	As at March 31, 2024	As at March 31, 2023
I	**Assets**			
1	**Financial assets**			
	(a) Cash and cash equivalents	5	96,254.64	54,992.15
	(b) Bank balance other than those disclosed in (a) above	6	37,196.96	33,678.78
	(c) Loans	7(a)	10,29,534.74	8,66,889.56
	(d) Loans given to staff	7(b)	153.07	20.12
	(e) Investments	8	38,326.13	19,706.33
	(f) Derivative financial instruments	14	1,356.72	2,629.80
	(g) Other financial assets	9	13,826.85	12,283.84
	Total Financial assets		**12,16,649.11**	**9,90,200.58**
2	**Non-financial Assets**			
	(a) Current tax assets (net)	10	2,002.91	3,451.92
	(b) Deferred tax assets (net)	11 (a)	10,557.81	7,174.17
	(c) Investment property	12	8.64	8.64
	(d) Property, plant and equipment	12	7,670.26	7,011.91
	(e) Right of use asset	12	10,858.93	9,362.96
	(f) Other intangible assets	12	1,918.31	669.84
	(g) Intangible assets under development	12	-	-
	(h) Other non financial assets	13	1,381.94	1,278.18
	Total Non-financial assets		**34,398.80**	**28,957.62**
	Total Assets		**12,51,047.91**	**10,19,158.20**
II	**Liabilities and equity**			
1	**Financial liabilities**			
	(a) Derivative financial instruments	14	-	-
	(b) Other payables	15		
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,121.53	1,786.82
	(c) Debt securities	16	61,989.07	1,15,847.95
	(d) Borrowings (other than debt securities)	17	8,73,570.67	6,87,360.56
	(e) Subordinated liabilities	18	65,130.40	39,401.05
	(f) Other financial liabilities	19	30,677.78	17,413.04
	Total Financial liabilities		**10,33,489.45**	**8,61,809.42**
2	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	20 (a)	-	-
	(b) Provisions	20 (b)	1,179.90	1,048.00
	(c) Other non-financial liabilities	21	1,468.62	1,900.17
	Total Non-financial liabilities		**2,648.52**	**2,948.17**
3	**Equity**			
	(a) Equity share capital	22	20,028.34	6,264.02
	(b) Other equity	23	1,94,881.60	1,48,136.59
	Total Equity		**2,14,909.94**	**1,54,400.61**
	Total Liabilities and Equity		**12,51,047.91**	**10,19,158.20**

Corporate Information and Material Accounting Policies 1-3

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For M. P. CHITALE & Co
Chartered Accountant
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer

Aparna Menon
Company Secretary

Date: May 22, 2024
Place: Valapad

Statement of Profit and Loss for the year ended March 31, 2024

CIN-U65923TN2007PLC064550
(All amounts in ₹ lakhs unless otherwise stated)

	Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I	**Revenue from operations**			
	Interest income	24 (a)	2,51,408.75	1,54,523.78
	Net Gain on derecognition of financial instruments under amortised cost category	24 (b)	14,250.01	10,369.52
	Other operating income	25	2,472.68	6,626.23
	Total Revenue from operations		**2,68,131.44**	**1,71,519.53**
II	Other income	26	5,062.75	4,408.11
III	**Total income (I + II)**		**2,73,194.19**	**1,75,927.64**
IV	**Expenses**			
	Finance cost	27	94,741.32	62,984.76
	Impairment of financial instruments	28	46,372.95	27,368.43
	Employee benefit expenses	29	48,838.71	39,663.94
	Depreciation and amortisation expense	30	5,076.24	3,397.14
	Other expenses	31	16,001.49	11,420.73
	Total expenses (IV)		**2,11,030.71**	**1,44,835.00**
V	**Profit/(Loss) before exceptional items and tax (III -IV)**		**62,163.48**	**31,092.64**
VI	**Exceptional items**		-	-
VII	**Profit/(Loss) before tax for the year (V- VI)**		**62,163.48**	**31,092.64**
VIII	**Tax expense**			
	(1) Current tax	11 (b)	19,448.50	6,318.30
	(2) Deferred tax charge/(credit)	11 (b)	(3,287.96)	2,194.56
	(3) Tax relating to earlier years	11 (b)	172.57	236.88
	Total Tax expense		**16,333.11**	**8,749.74**
IX	**Profit/(Loss) after tax for the year (VII - VIII)**		**45,830.37**	**22,342.90**
X	**Other comprehensive income**	23		
A	(i) Items that will not be reclassified to profit or loss:			
	a. Remeasurement gains and (losses) on defined benefit obligations (net)		(247.61)	(49.66)
	b. Fair value changes in equity instrument		(0.10)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		62.35	12.50
	Subtotal (A)		**(185.36)**	**(37.16)**
B	(i) Items that will be reclassified to profit or loss			
	a. Fair value changes on derivatives designated as cash flow hedge (net)		(411.51)	299.97
	b. Fair value changes on Investment held as FVOCI		241.86	(234.80)
	(ii) Income tax relating to items that will be reclassified to profit or loss		42.70	(16.40)
	Subtotal (B)		**(126.95)**	**48.77**
	Other comprehensive Income/(Loss) for the year (A + B)		**(312.31)**	**11.61**
XI	**Total comprehensive Income/(Loss) for the year (IX + X)**		**45,518.06**	**22,354.51**
XII	**Earnings per equity share (Face Value of ₹ 10/- per share)**	33		
	- Basic (₹)		23.24	12.84
	- Diluted (₹)		23.24	12.84
	Corporate Information and Material Accounting Policies	1-3		

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For M. P. CHITALE & Co
Chartered Accountant
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
Chief Financial Officer

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer

Aparna Menon
Company Secretary

Date: May 22, 2024
Place: Valapad

Statement of Cash Flow for the year ended March 31, 2024

CIN-U65923TN2007PLC064550
(All amounts in ₹ lakhs unless otherwise stated)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A	**Cash flow from operating activities**		
	Profit/(Loss) before tax for the year	**62,163.48**	**31,092.64**
	Adjustments for:		
	Depreciation and amortisation expense	5,076.24	3,397.14
	Impairment of financial instruments Amortisation of assets & Loss on derecognition of financial assets (Refer note no.10)	46,372.95	27,368.43
	Provision for insurance claim receivable	(82.67)	(176.24)
	Loss/(Profit) on sale of fixed assets (net)	0.34	-
	Finance cost	94,741.32	62,984.76
	Interest on deposits	(5,838.77)	(4,093.29)
	Share based payments to employees	0.64	(21.02)
	Operating profit before working capital changes	**2,02,433.53**	**1,20,552.42**
	Changes in working capital:		
	Adjustments for (increase)/decrease in operating assets:		
	Loans	(2,06,513.79)	(3,51,402.67)
	Loans given to staff	(132.95)	(14.98)
	Other financial assets	(1,866.52)	(38.43)
	Other non financial assets	(103.76)	(198.18)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade payables	334.71	(937.68)
	Other financial liabilities	4,675.21	(0.88)
	Other non financial liabilities	(431.55)	479.27
	Other provisions	(115.71)	(499.26)
	Net cash flow generated/(used in) operations	**(1,720.83)**	**(2,32,060.39)**
	Net Income tax paid	(18,172.06)	(6,433.10)
	Net cash generated/(used in) in operating activities (A)	**(19,892.89)**	**(2,38,493.49)**
B	**Cash flow from investing activities**		
	Proceeds from sale of property, plant and equipment	5.70	-
	Purchase of property, plant and equipment	(2,311.06)	(4,562.19)
	Purchase of other intangible assets	(1,777.72)	(667.24)
	Net movement in bank deposits	(3,518.08)	(20,814.51)
	Investments	(20,476.10)	(9,504.68)
	Interest income on deposits	5,838.66	3,800.18
	Net cash flow generated/(used in) from investing activities (B)	**(22,238.60)**	**(31,748.44)**
C	**Cash flow from financing activities**		
	Increase in Share Capital	412.11	932.84
	Increase in Security Premium	14,587.89	24,067.16
	Proceeds from long term borrowings - term loans	6,13,687.50	5,34,276.00
	Repayment oflong term borrowings - term loans	(4,09,528.75)	(2,26,229.78)
	Interest paid on term loans	(67,891.73)	(40,194.16)
	Proceeds from long term borrowings - debentures	27,500.00	39,000.00
	Repayment of long term borrowings - debentures	(54,468.50)	(60,567.30)
	Interest paid on debentures	(17,250.24)	(13,113.33)
	Interest paid on securitisation	(3,931.84)	(224.90)
	Repayment of Over Draft	(10,018.62)	(10,018.62)

Statement of Cash Flow for the year ended March 31, 2024

CIN-U65923TN2007PLC064550

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest paid on OD	(127.20)	(334.83)
Repayment of securitisation borrowings	(6,673.08)	-
Proceeds from short term borrowings - commercial paper	8,355.00	34,695.67
Repayment of short term borrowings - commercial paper	(8,355.00)	(34,695.67)
Interest paid on Commercial Borrowing	(145.01)	(476.45)
Processing and arranger Fee paid	(773.88)	-
Other interest and charges paid	(1,984.67)	(1,133.89)
Net cash flow generated/(used in) from financing activities (C)	**83,393.98**	**2,45,982.74**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	41,262.49	(24,259.19)
Cash and cash equivalents at the beginning of the year	54,992.15	79,251.34
Cash and cash equivalents at the end of the year (Refer Note 5)	**96,254.64**	**54,992.15**
Cash and cash equivalents as per above comprise of the following		
(a) Cash on hand	1,343.11	3,196.83
(b) Balances with banks		
- In current accounts	36,634.30	39,292.34
- In deposit accounts - with original maturity of less than 3 months	58,277.23	12,502.98
Balance as per statement of cash flow	**96,254.64**	**54,992.15**

Corporate Information and Material Accounting Policies 1-3

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For M. P. CHITALE & Co
Chartered Accountant
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer

Aparna Menon
Company Secretary

Date: May 22, 2024
Place: Valapad

Statement of Changes in Equity for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

A. Equity Share Capital

	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the reporting period	6,264.02	5,331.19
Changes in Equity Share Capital due to prior period errors	-	-
Changes in equity share capital during the current period / year	13,764.32	932.83
Balance at the end of the reporting period	**20,028.34**	**6,264.02**

B. Other Equity

(1) For the Year Ended March 31, 2024

Particulars	Reserves and Surplus						Other Comprehensive Income						
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	Tax related to items that will not be reclassified	Total
Balance at the beginning of the current reporting period (As at April 01,2023)	79,878.05	14,491.48	500.00	53.53	113.78	53,031.00	(42.98)	655.36	0.65	(512.50)	(35.94)	4.16	**1,48,136.59**
Changes in accounting policy or prior period errors	-	-	-		-	-	-	-				-	**-**
Restated balance at the beginning of the current reporting period	79,878.05	14,491.48	500.00	53.53	113.78	53,031.00	(42.98)	655.36	0.65	(512.50)	(35.94)	4.16	**1,48,136.59**
Total Comprehensive Income for the current period	-	-	-	0.64	-	45,830.37	(247.61)	(411.51)	(0.10)	241.86	42.70	62.35	**45,518.70**
Issue of equity shares (Right Issue)	14,587.91	-	-	-	-	-	-	-	-	-	-	-	**14,587.91**
Issue of Bonus shares (Utilisation)	(13,352.22)	-	-	-	-	-	-	-	-	-	-	-	**(13,352.22)**
Transfer To/From	-	9,166.07	-	(37.24)	37.24	(9,166.07)	-	-	-	-	-	-	**-**
Reversal During the period	-	-	-	-	(9.38)	-	-	-	-	-	-	-	**(9.38)**
Balance at the end of the current reporting period (As at March 31,2024)	81,113.74	23,657.55	500.00	16.93	141.64	89,695.30	(290.59)	243.85	0.55	(270.64)	6.76	66.51	1,94,881.60

Statement of Changes in Equity for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

(2) For the Year Ended March 31, 2023

Particulars	Reserves and Surplus						Other Comprehensive Income						
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	Tax related to items that will not be reclassified	Total
Balance at the beginning of the current reporting period(As at April 01, 2022)-Annual	55,810.89	10,076.05	500.00		35.93	35,369.26	6.68	355.39			-89.45	-8.17	**1,02,056.58**
Changes in accounting policy or prior period errors	-	-53.15	-	143.96	25.91	-212.58	-	-	0.65	-277.70	69.91	-0.17	**-303.17**
Restated balance at the beginning of the current reporting period	55,810.89	10,022.90	500.00	143.96	61.84	35,156.68	6.68	355.39	0.65	-277.70	-19.54	-8.34	**1,01,753.41**
Total Comprehensive Income for the current year	-	-	-	-	-	22,342.90	-49.66	299.97	-	-234.80	-16.40	12.50	**22,354.51**
Issue of share capital	24,067.16	-	-	-	-	-	-	-	-	-	-	-	**24,067.16**
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer To/From	-	4,468.58	-	-69.41	69.41	-4,468.58	-	-	-	-	-	-	**-**
Reversal During the Year	-	-	-	-21.02	-17.47	-	-	-	-		-	-	**-38.49**
Balance at the end of the current reporting period (As at March 31, 2023)	79,878.05	14,491.48	500.00	53.53	113.78	53,031.00	-42.98	655.36	0.65	-512.50	-35.94	4.16	1,48,136.59

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For M. P. CHITALE & Co
Chartered Accountant
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer

Aparna Menon
Company Secretary

Date: May 22, 2024
Place: Valapad

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

1 Corporate information

Asirvad Micro Finance Limited was incorporated in August 29, 2007 under the provisions of Companies Act, 1956. The Company is a Non-Banking Financial Company - Systemically Important Non-Deposit taking Company–Microfinance Institution (NBFC-MFI). The company is registered as a Microfinance Institution under the Non Banking Financial Company-Micro Finance Institution (Reserve Bank) Directions, 2011 as amended, vide RBI letter dated October 04, 2013 with Registration Number N-07-00769 dated October 04, 2013. The company's registered address is 9th Floor, No 9, Club House Road, Anna Salai, Chennai-600002

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. The Company provides small value collateral free loans with fortnightly/monthly repayments. The company follows the Grameen Model with suitable adoptions using the group where each member is responsible for the loan repayment of the other members of the group.

In addition to the core business of providing micro-credit, the company also provides secured loans to Micro Small and Medium Enterprise ('MSME') and also provides gold loans.

2 Basis of preparation and presentation of financial information

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

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

Pursuant to the requirements of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors, during the year, the Company has carried out restatement of the comparative financial information and the impact of such restatement on the financial statement for the year ended 31 March 2023, and reporting periods beginning 01 April 2022 is provided in the Note 64 of the accompanying financial statements, thereby providing reliable and more relevant information about the company's financial position, financial performance or cash flows.

(ii) Historical cost convention

The restated financial information have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the restated financial information have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(iii) Critical accounting estimates and judgements

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

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

Business model assessment

The Company determines the business model at a level that reflects how the 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 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 accordingly prospective change to the classification of those assets are made.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Defined employee benefit assets and liabilities

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

Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the restated statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Company makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance.

Provisions

Provisions created in respect of a range of future obligations such as litigation. Some of the provisions involve significant judgment about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate, which reflects both current interest rates and the risks specific to that provision.

Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of asset.

3 Summary of material accounting policies

(a) Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the Straight Line Method over the useful life of the assets as prescribed under Part 'C' of Schedule II, which is also the the management's estimates of useful lives of such assets.

Asset class	Useful Life
Furniture and Fixtures including Electrical fittings	10
Leasehold Improvements	5
Office Equipment	5
Vehicles	8
Computers and others	3

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is de-recognised.

(b) Investment Property

Initial recognition and measurement

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

De-recognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognised.

(c) Intangible assets

Initial recognition and measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation method, useful lives and residual value)

Intangible assets are amortised over a period of three years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost.

Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and repair the asset to be capable of operating in the manner intended by management. These are recognised as assets when the company demonstrate following recognition requirements:

a. The development costs can be measured reliably

b. The project is technically and commercially feasible

c. The company intends to and has sufficient resources to complete the project

d. The company has the ability to use or sell such intangible asset

e. The asset will generate probable future economic benefits.

(d) Revenue recognition

Interest and processing fee income on loans

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

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

In case of credit-impaired financial assets regarded as 'Stage 3', the Company recognizes interest income on the net amortized cost of financial assets at EIR. If financial asset is no longer credit-impaired, Company reverts to calculating interest income on a gross basis.

Overdue interest is recognized only when it is reasonably certain that the ultimate collection will be made.

Income from assignment transactions

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

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

recognised on carrying value of assets over the remaining period of such assets.

Referral income

Income from cross sale services is recognized on accrual basis when the service is rendered taking into account the number of units sold at the rates applicable according to the terms of the agreement.

Interest on fixed deposits

Interest income on deposits with banks is recognized in time proportion basis taking into account the amount outstanding and the rate applicable using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

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

(e) Finance cost

Finance cost consists of interest and other cost that the Company incurred in connection with the borrowing of funds. All other finance costs are charged to the statement of profit and loss as incurred basis the effective interest rate method.

(f) Taxation

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

(g) Employee benefits

Defined contribution plan

(i) Provident fund

This is a defined contribution plan where contributions are remitted to provident fund authorities in accordance with the relevant statute and charged to the Statement of Profit and Loss in the period in which the related employee services are rendered. The Company has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

Defined benefit plan

(i) Gratuity

The liability recognised in the restated balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

(ii) Compensated absences

The Company provides benefit of compensated absences under which unavailed leave are allowed to be accumulated to be availed in future. The compensated absences comprises of both vesting and non vesting benefit. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period.

Short-term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share based payments

The Company has formulated an Employees Stock Option Scheme. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity.

The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

(h) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

(i) Impairment of financial assets

The Expected Credit Loss (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 12m ECL 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. Both LTECLs and 12m ECLs are calculated on a collective basis for identified homogenous pool of loans.

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (0-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The ECL is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) is based on the amounts the Company expects to be owed at the time of default. Management overlay is included in determining the lifetime ECL. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss account.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

(k) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

(l) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(m) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortized cost

b. Fair Value Through Other Comprehensive Income (FVTOCI) or

c. Fair Value Through Profit or Loss (FVTPL).

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) Financial asset carried at amortised cost

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

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

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

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

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI)

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

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

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

FVTOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income is recognised in

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

profit or loss in the same manner as for financial assets measured at amortised cost

(iii) Financial assets carried at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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. If the Company retains the right to service the financial asset for a fee, it recognises either a service asset or a service liability for that servicing contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the company adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

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 that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

Classification and Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

are a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Derivative financial instruments

The Company enters into derivative financial instruments, cross currency swaps, to manage its borrowing exposure to foreign exchange.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge Accounting

Hedges that meet the criteria for hedge accounting are accounted for, as described below: Cash Flow Hedges A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as Finance Cost in the statement of profit and loss.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

(o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

(p) Segment reporting

The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

(q) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non- monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

(r) Securitisation and direct assignment

The securitised assets where the Company has not transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall not be de-recognized and proceeds received from securitisation shall be recognised as borrowings and interest thereon shall be recognised as finance cost.

The direct assignment transaction where the Company has transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall be de-recognized. Similarly, the gain on sale of assets arising from a direct assignment transactions, has been recognised on de-recognition as interest only strip.

(s) Statement of cash flows

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

4 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

5 Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
(a) Cash on hand	1,343.11	3,196.83
(b) Balances with banks		
- In current accounts	36,634.30	39,292.34
- In deposit accounts - not covered under lien (less than 3 months)	58,277.23	12,502.98
	96,254.64	**54,992.15**

5.1

	As at March 31, 2024	As at March 31, 2023
Of the above, the balances that meet the definition of cash and cash equivalents as per Ind AS 7 cash flow statements	96,254.64	54,992.15

6 Bank balance other than those disclosed in (a) above (Also, refer note 17.1)

	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
- In Deposit Accounts - not covered under lien (3 months & above)	533.05	105.66
- In Deposit Accounts - under lien (Refer note 6.1 below)	36,663.91	33,573.12
	37,196.96	**33,678.78**

6.1 Deposit accounts under lien comprise of:

Deposits (excluding accrued interest) amounting to ₹ 31,317.74 Lakhs (at March 31, 2023 ₹ 30,799.60 Lakhs) have been placed with certain banks for obtaining term loans.

Deposits (excluding accrued interest) amounting to ₹ 4,301.56 Lakhs (As at March 31, 2023 ₹ 1,627.40 Lakhs) are placed as credit enhancement (cash collateral) towards PTC transactions.

7(a) Loans (at amortised cost)

	As at March 31, 2024	As at March 31, 2023
Loans	10,63,019.10	8,92,044.47
Less : Impairment loss allowance	33,484.36	25,154.91
Total	**10,29,534.74**	**8,66,889.56**
(i) Secured		
Loans	97,358.70	74,262.26
Less : Impairment loss allowance	488.21	381.03
Sub Total	**96,870.49**	**73,881.23**
(ii) Unsecured		
Loans	9,65,660.40	8,17,782.20
Less : Impairment loss allowance	32,996.15	24,773.87
Sub Total	**9,32,664.25**	**7,93,008.33**
Grand Total	**10,29,534.74**	**8,66,889.56**

7(b) Loans given to staff (at amortised cost)

	As at March 31, 2024	As at March 31, 2023
Loans to Staff	153.07	20.12
	153.07	**20.12**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

7(b) Loans given to staff (at amortised cost)

7.1	Particulars	As at March 31, 2024	As at March 31, 2023
	The loan receivables reflected above excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognisation as per Ind AS 109. The amounts given are net of minimum retention retained in the books	1,23,415.19	1,05,803.35

7.2	Particulars	As at March 31, 2024	As at March 31, 2023
	Provisions as per RBI Income Recognition, Asset Classification and Provisioning Norms (IRACP norms)	20,534.29	9,912.56
	Provisions as per ECL model under Ind AS 109	33,484.36	25,154.91
	Amount recorded in the books	33,484.36	25,154.91

As at March 31, 2024

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109*	Net Carrying amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
(A)	(B)	(C)	(D)	E = (C-D)	(F)	
Performing assets						
Standard	Stage 1	9,99,063.14	9,931.49	9,89,131.65	4,125.07	5,806.42
	Stage 2	20,097.55	1,264.22	18,833.33	81.84	1,182.38
Non Performing Assets (NPA)						
Substandard	Stage 3	42,318.57	21,431.32	20,887.25	15,407.10	6,024.22
Doubtful						
Up to one year	Stage 3	1220.57	618.13	602.44	543.32	74.81
1 to three year	Stage 3	373.74	189.27	184.47	278.36	-89.09
More than three year	Stage 3	98.60	49.93	48.67	98.60	-48.67
Subtotal for doubtful		**1692.91**	**857.33**	**835.58**	**920.28**	**-62.95**
Total	**Stage 1**	**9,99,063.14**	**9,931.49**	**9,89,131.65**	**4,125.07**	**5,806.42**
	Stage 2	**20,097.55**	**1,264.22**	**18,833.33**	**81.84**	**1,182.38**
	Stage 3	**44,011.48**	**22,288.65**	**21,722.83**	**16,327.38**	**5,961.27**
Total		**10,63,172.17**	**33,484.36**	**10,29,687.81**	**20,534.29**	**12,950.07**

As at March 31, 2023

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109*	Net Carrying amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
(A)	(B)	(C)	(D)	E = (C-D)	(F)	
Performing assets						
Standard	Stage 1	8,47,060.61	7,995.61	8,39,065.00	3,454.40	4,541.21
	Stage 2	18,120.41	1,610.86	16,509.55	73.40	1,537.46
Non Performing Assets (NPA)						

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109*	Net Carrying amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
(A)	(B)	(C)	(D)	E = (C-D)	(F)	
Substandard	Stage 3	26,092.14	15,124.95	10,967.19	5,764.98	9,359.97
Doubtful						
Up to one year	Stage 3	713.92	377.17	336.75	545.86	-168.69
1 to three year	Stage 3	23.14	13.52	9.62	19.48	-5.96
More than three year	Stage 3	54.37	32.80	21.57	54.41	-21.61
Subtotal for doubtful		**791.43**	**423.49**	**367.94**	**619.75**	**-196.26**
Total	**Stage 1**	**8,47,060.61**	**7,995.61**	**8,39,065.00**	**3,454.40**	**4,541.21**
	Stage 2	**18,120.41**	**1,610.86**	**16,509.55**	**73.40**	**1,537.46**
	Stage 3	**26,883.57**	**15,548.44**	**11,335.13**	**6,384.73**	**9,163.71**
Total		**8,92,064.59**	**25,154.91**	**8,66,909.68**	**9,912.53**	**15,242.38**

* The Loss Allowance Provision on all stages including Stage 3 is computed on Outstanding Balance i.e Principal Outstanding + Accrued Interest of advances before giving effect of Ind AS adjustments.

7.3 The Stage wise break of loans reflected above (Refer Note 7a and 7b) is given below :

(A) As at March 31, 2024

Loan Receivables	Stage 1: 0-30 days	Stage 2: 31-90 days	Stage 3: >90 days
i. Loans considered as Qualifying Assets	8,86,521.19	19,637.48	40,658.76
ii. Loans considered as Non Qualifying Assets	1,12,541.95	460.07	3,352.72
Gross Carrying Amount of Loans	**9,99,063.14**	**20,097.55**	**44,011.48**
Less : Impairment loss allowance	9,931.49	1,264.22	22,288.65
Net Loans	**9,89,131.65**	**18,833.33**	**21,722.83**

(B) As at March 31, 2023

Loan Receivables	Stage 1: 0-30 days	Stage 2: 31-90 days	Stage 3: >90 days
i. Loans considered as Qualifying Assets	7,54,845.18	17,440.48	25,559.46
ii. Loans considered as Non Qualifying Assets	92,215.44	679.93	1,324.10
Gross Carrying Amount of Loans	**8,47,060.62**	**18,120.41**	**26,883.56**
Less : Impairment loss allowance	7,995.61	1,610.86	15,548.44
Net Loans	**8,39,065.01**	**16,509.55**	**11,335.12**

7.4 Reconciliation of impairment allowance on Loans

Particulars	Amount
Impairment allowance as at 1 April 2022	**35,374.40**
Add: Impairment allowance provided in statement of Profit & Loss	27,368.42
Less: Impairment allowance Utilised for writing off assets	11,206.00
Less: Impairment allowance Utilised for porfolio sold to ARC	26,367.11
Less: Impariment allowance provided for receivables from resigned employees	14.80
Impairment allowance as at March 31, 2023	**25,154.91**
Add: Impairment allowance provided in statement of Profit & Loss	46,372.95
Less: Impairment allowance Utilised for writing off Loss assets	16,915.43

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Amount
Less: Impairment allowance Utilised for porfolio sold to ARC	18,450.26
Less: Impariment allowance provided for receivables from resigned employees	406.18
Less: Impariment allowance provided for other Financial Assets	70.41
Less: Impariment allowance provided for Security deposit	103.06
Less: Impariment allowance provided for Security Receipts	2,098.16
Impairment allowance as at March 31, 2024	**33,484.36**

7.5 Disclosure for securitisation of Standard Assets outstanding as on reporting date as per RBI circular no.DOR. STR.REC.53/21.04.177/2021-22 dated September, 24, 2021.

		As at March 31, 2024	As at March 31, 2023
(i)	No of SPVs sponsored by the NBFC for securitisation transactions		
	a. Through Direct assignment	37	28
	b. Through PTC	6	3
	Total	**43**	**31**
(ii)	Total amount of securitised assets as per books of the SPVs Sponsored		
	a. Through Direct assignment	1,21,775.14	1,05,541.63
	b. Through Pass through Ceritificates	42,033.13	43,041.45
	Total	**1,63,808.27**	**1,48,583.08**
(iii)	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	13,523.92	11,953.65
	Others	-	-
	a. Pass through Ceritificates	-	-
	Others	-	-
(iv)	Amount of exposures to securitisation transactions Other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss		
	Others		
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	**-**	**-**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

7.6 Details of Financial Assets sold to Securitisation Company

	Year ended March 31, 2024	Year ended March 31, 2023
Total number of loan assets securitized during the year		
a. Through Direct assignment	5,78,232	3,81,103
b. Through PTC	1,44,023	1,37,956
	7,22,255	**5,19,059**
Book value of loan assets securitized during the year		
a. Through Direct assignment	2,12,372.05	1,25,725.33
b. Through PTC	53,410.70	52,189.86
	2,65,782.75	**1,77,915.19**
Sale consideration received during the year		
a. Through Direct assignment	1,91,134.85	1,13,153.55
b. Through PTC	47,164.27	45,175.58
	2,38,299.12	**1,58,329.13**
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised		
a. Through Direct assignment	21,237.21	12,571.78
b. Through PTC	6,246.43	7,014.28
	27,483.64	**19,586.06**
Gain / (loss) on the securitization transaction recognised in P&L		
Through PTC & Direct assignment	14,250.01	10,369.52
Gain / (loss) on the securitization transactions deferred		-
Through PTC & Direct assignment	-	-
	14,250.01	**10,369.52**
Quantum of Credit Enhancement provided on the transactions in the form of deposits		
a. Through Direct assignment	**-**	**-**
b. Through PTC	2,018.40	2,283.17
	2,018.40	**2,283.17**
Quantum of Credit Enhancement as at year end		
a. Through Direct assignment	21,237.21	-
b. Through PTC	6,482.39	2,283.17
	27,719.60	**2,283.17**
Interest spread Recognised in the Statement of Profit and Loss during the Year		
a. Through Direct assignment	14,250.01	10,369.52
b. Through PTC	-	-
	14,250.01	**10,369.52**

Note : The securitised loans through PTC disclosed in the above notes, i.e 7.5 and 7.6 do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

7.7 No disclosure has been presented as per RBI notification RBI/2019-20/220 DOR,No.BP.DC.63/21.04,048/2020-21 Dated: April 17, 2020; as the balances are Nil.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

8 Investments

	As at March 31, 2024	As at March 31, 2023
Investments at fair value through other comprehensive income		
Outside India		
In India		
(i) Unquoted Equity instruments	5.75	5.65
(ii) Investment in Government Securities	19,487.32	10,195.96
Sub Total	**19,493.07**	**10,201.61**
Investments at fair value through Profit or Loss		
Outside India	-	-
In India		
(i) Investment in Security Reciepts	20,477.26	9,504.72
(ii) Investment in Pass Through Certificates	453.80	-
Sub Total	**20,931.06**	**9,504.72**
Gross Total	**40,424.13**	**19,706.33**
Less : Allowance for impairment loss	2,098.00	-
Total	**38,326.13**	**19,706.33**

9 Other financial assets

	As at March 31, 2024	As at March 31, 2023
(a) Security deposits	901.81	983.42
(b) Unamortised Income On Direct assignment	6,591.04	4,640.16
(c) Others*	6,334.00	6,660.26
	13,826.85	**12,283.84**

* (Also, refer note 53 for ageing of Trade receivables)

10 Current tax assets (net)

	As at March 31, 2024	As at March 31, 2023
Advance income tax	2,002.91	3,451.92
	2,002.91	**3,451.92**

11 (a) Deferred tax assets (net)

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets (net)	10,557.81	7,174.17
	10,557.81	**7,174.17**

11 (b) Current tax and deferred tax

(i) Income tax expense

	As at March 31, 2024	As at March 31, 2023
(a) Current tax in respect of current year	19,448.50	6,318.30
(b) Deferred tax relating to origination and reversal of temporary differences	(3,287.96)	2,194.56
(c) Tax relating to earlier year	172.57	236.88
Total tax expense recognised in statement of profit and loss	**16,333.11**	**8,749.74**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

	As at March 31, 2024	As at March 31, 2023
Profit Before tax from operations	62,163.48	31,092.64
Income Tax using the company's domestic Tax rate #	15,646.55	7,826.02
Effect of income exempt from tax	-	-
Effect of other permanent differences	660.90	113.05
Effect on utilisation of accumulated losses during the year	-	-
Effect of change in tax rate	-	-
Effect of deferred tax remeasurement	(146.91)	573.79
Effect of change in previous year tax amount	172.57	236.88
Income tax recognised in the statement of profit & loss	**16,333.11**	**8,749.74**

The tax rate used for the year ended March 31, 2024 and March 31, 2023 reconciliations above are the Corporate tax rate of 22%, applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income tax act.

(iii) Income tax on other comprehensive income

	As at March 31, 2024	As at March 31, 2023
Deferred tax		
Remeasurement of defined benefit obligation	(62.32)	(12.50)
Fair value changes on Equity Investment held as FVOCI	(0.03)	-
Fair value changes on derivatives designated as cash flow hedge (net)	(103.58)	75.50
Fair value changes on Other Investment held as FVOCI	60.88	(59.10)
Total	**(105.05)**	**3.90**

(iv) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet

Particulars	For the Year Ended March 31, 2024				
	Opening Balance	(Charge)/Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/deferred Tax liability :					
Property, plant and equipment	145.64	196.38	-	-	342.02
Provision for employee benefits	669.53	849.06	62.32	-	1,580.91
Provision for loan receivables	6,221.52	1,639.32	-	-	7,860.84
Provision for fraud insurance claim receivable	282.40	208.75	-	-	491.15
Effective interest rate on borrowings	85.40	157.91	-	-	243.31
Present value discounting of security deposit and documentation fee	748.66	294.78	-	-	1,043.44
Effect of implementation of Ind AS 116	331.06	242.92	-	-	573.98

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	For the Year Ended March 31, 2024				
	Opening Balance	(Charge)/Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Effective interest rate on DA and PTC loans	(1,287.46)	(301.31)	-	-	(1,588.77)
ESOP Contribution	13.54	0.16	-	(9.38)	4.32
Equity Investment held as FVOCI	(0.17)	-	0.03	-	(0.14)
Gain / loss on hedge valuation	(164.95)	-	103.58	-	(61.37)
Investment held as FVOCI	129.00	-	(60.88)	-	68.12
Total	**7,174.17**	**3,287.97**	**105.05**	**(9.38)**	**10,557.81**

Particulars	For the Year Ended March 31, 2023				
	Opening Balance	(Charge)/Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/deferred Tax liability :					
Property, plant and equipment	635.50	(489.86)	-	-	145.64
Provision for employee benefits	824.93	(167.90)	12.50	-	669.53
Provision for loan receivables	8,815.83	(2,594.31)	-	-	6,221.52
Provision for fraud insurance claim receivable	179.34	103.06	-	-	282.40
Effective interest rate on borrowings	78.99	6.41	-	-	85.40
Present value discounting of security deposit and documentation fee	570.67	177.99	-	-	748.66
Effect of implementation of Ind AS 116	134.80	196.26	-	-	331.06
Effective interest rate on DA and PTC loans	(1,866.49)	579.03	-	-	(1,287.46)
ESOP Contribution	36.34	(5.33)	-	(17.47)	13.54
Equity Investment held as FVOCI	(0.17)	-	-	-	(0.17)
Cash flow hedge Reserve	(89.45)	-	(75.50)	-	(164.95)
Investment held as FVOCI	69.90	-	59.10	-	129.00
Total	**9,390.19**	**(2,194.65)**	**(3.90)**	**(17.47)**	**7,174.17**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

12 Property, plant and equipment, other intangible assets, Right of use assets and Intangible assets under development

Particulars	Investment Property - Land	Property, plant and equipment								Right of use asset	Other intangible assets- Softwares	Intangible assets under development
		Computers	Furnitures & Fixtures	Leasehold Improvements	Office Equipments	Vehicles	Freehold Land	Building	Total			
Gross block												
As at 1 April 2022	**8.64**	**3,027.51**	**2,856.25**	**185.98**	**1,940.47**	**82.26**	**-**	**-**	**8,092.47**	**8,585.80**	**811.22**	**94.18**
Additions	-	1,368.00	1,548.76	219.67	1,425.76	-	-	-	4,562.19	4,250.90	667.24	**-**
Disposals	-	-	-	-	-	-	-	-	-	-	-	**(94.18)**
As at 31 March 2023	**8.64**	**4,395.51**	**4,405.01**	**405.65**	**3,366.23**	**82.26**	**-**	**-**	**12,654.66**	**12,836.70**	**1,478.46**	**-**
Additions		748.98	680.78	30.42	630.58	-	93.44	126.86	2,311.06	4,390.52	1,777.72	**-**
Disposals		(0.37)	(2.64)	-	(2.69)	-	-	-	(5.70)	-	-	**-**
As at 31 March 2024	**8.64**	**5,144.12**	**5,083.15**	**436.07**	**3,994.12**	**82.26**	**93.44**	**126.86**	**14,960.02**	**17,227.22**	**3,256.18**	**-**
Accumulated depreciation/amortisation:												
As at 1 April 2022	**-**	**2,487.09**	**1,117.03**	**185.08**	**816.47**	**63.77**	**-**	**-**	**4,669.44**	**1,189.35**	**669.18**	**-**
Depreciation/ Amortisation expense	-	417.45	250.94	24.55	275.39	4.98	-	-	973.31	2,284.39	139.44	**-**
Eliminated on Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	**-**
Depreciation Adjustments	-	-	-	-	-	-	-	-	-	-	-	**-**
As at 31 March 2023	**-**	**2,904.54**	**1,367.97**	**209.63**	**1,091.86**	**68.75**	**-**	**-**	**5,642.75**	**3,473.74**	**808.62**	**-**
Depreciation/ Amortisation expense	-	749.54	382.18	50.19	465.91	4.05	-	0.56	1,652.43	2,894.55	529.25	**-**
Eliminated on Disposal of Assets	-	(0.37)	(2.63)	-	(2.42)	-	-	-	(5.42)	-	-	**-**
Depreciation Adjustments	-	-	-	-	-	-	-	-	-	-	-	**-**
As at 31 March 2024	**-**	**3,653.71**	**1,747.52**	**259.82**	**1,555.35**	**72.80**	**-**	**0.56**	**7,289.76**	**6,368.29**	**1,337.87**	**-**
Net block												
As at 31 March 2023	8.64	1,490.97	3,037.04	196.02	2,274.37	13.51	-	-	7,011.91	9,362.96	669.84	**-**
As at 31 March 2024	8.64	1,490.41	3,335.63	176.25	2,438.77	9.46	93.44	126.30	7,670.26	10,858.93	1,918.31	-

Also refer Note 55 for Intangible Assets Under Development

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

13 Other non financial assets

	As at March 31, 2024	As at March 31, 2023
(a) Goods & service tax credit (input) receivable	428.58	341.34
(b) Prepaid expenses	896.00	894.41
(c) Capital advances	11.17	9.74
(d) Opex advances	43.41	6.96
(e) Others	2.78	25.73
	1,381.94	**1,278.18**

14 Derivative financial instruments (Also, refer note 42.14)

	As at March 31, 2024	As at March 31, 2023
Currency derivatives		
Cross Currency Interest rate swap		
- Notional Amount (Respective Currency converted at closing exchange rate)		
- Fair Value Asset	1,356.72	2,629.80
- Fair Value Liabilities	-	-
Total Notional	**10,004.88**	**34,734.55**
Total Fair Value Assets	**1,356.72**	**2,629.80**
Total Fair Value Liabilities	**-**	**-**

Note: All the above derivative instruments are held for hedging and risk management purpose

15 Other payables

	As at March 31, 2024	As at March 31, 2023
(a) Total outstanding dues of micro enterprises and small enterprises (Also, refer note 40)	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (Also, refer note no 54 for trade payables ageing)	2,121.53	1,786.82
	2,121.53	**1,786.82**

There are no dues payable as at March 31,2024 and March 31, 2023 to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

16 Debt securities (At amortised cost)

		As at March 31, 2024	As at March 31, 2023
(a)	**Redeemable non-convertible debentures**		
	- Secured	60,824.87	1,07,075.54
	- Unsecured	1,164.20	8,772.41
(b)	**Commercial papers (Unsecured) (Refer Note 17.3)**	-	-
		61,989.07	**1,15,847.95**
	(i) Debt securities in India	61,989.07	1,15,847.95
	(ii) Debt securities outside India	-	
	Also, refer note 17.4	**61,989.07**	**1,15,847.95**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

17 Borrowings (other than debt securities) (At amortised cost)

	As at March 31, 2024	As at March 31, 2023
(a) Secured		
- Term loan from banks	7,98,760.81	5,68,464.74
- Term loan from NBFCs	26,788.30	25,773.90
- Other financial institutions	9,828.53	34,463.03
	8,35,377.64	**6,28,701.67**
(b) Unsecured		
- Term loan from NBFCs	1,997.08	15,789.87
(c) Borrowings under securitisation arrangement	36,195.95	42,869.02
Total (a)+(b)+(c)	**8,73,570.67**	**6,87,360.56**
Borrowings in India	8,63,742.14	6,52,897.53
Borrowings outside India	9,828.53	34,463.03
	8,73,570.67	**6,87,360.56**

17.1 Security on term loans from banks and others (Also, refer note 6)

All loans are secured by hypothecation of Micro Finance Loans. Further, the Company has provided a specific lien on deposits with Banks (Refer (a) below) and also have deposits with other NBFCs for Term Loans (Refer (b) below)

	As at March 31, 2024	As at March 31, 2023
(a) Deposits with Banks & Others	36,663.91	33,573.12
(b) Deposits with NBFCs	-	-
	36,663.91	**33,573.12**

17.2 Details of cash credit from bank - Secured

(a) The cash credit facility is secured by hypothecation of Microfinance Loans

(b) The Company has not defaulted in the repayment of dues to Banks and NBFC's.

(c) The details of interest rate, tenor, repayment terms of the Short Term Borrowings are as follows:

Particulars	Interest Rate	March 31, 2024	March 31, 2023
Cash Credit	8.70%	600.00	-

17.3

(i) Details of commercial paper - Unsecured

Particulars	Tenor (Days)	Interest Rate	March 31, 2024	March 31, 2023
-	-	-	-	-

(ii) Details of commercial paper issued/repaid during the current year ended March 31, 2024

Particulars	Tenor (Days)	Discount rate (per annum)	Date of Transaction
Northern Arc Money Market Alpha Trust (Repaid)	67	8.65%	24-04-2023
Super Auto Forge Private Limited (Repaid)	91	8.30%	22-11-2023
Venkatesh Ramarathinam (Repaid)	91	8.30%	22-11-2023

Details of commercial paper issued/repaid during the current year ended March 31, 2023

Particulars	Tenor (Days)	Discount rate (per annum)	Date of Transaction
SBI Mutual Fund (Repaid)	52	7.75%	23-08-2022
SBI Mutual Fund (Repaid)	56	7.75%	23-08-2022
SBI Mutual Fund (Repaid)	57	8.65%	31-10-2022
Northern Arc Money Market Alpha Trust (Repaid)	90	8.65%	23-11-2022

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

17.4 Details of terms of repayment- Debentures and subordinated liabilities

ISIN No	Type of NCD	No. of Debentures As at		Face value	Interest rate	Due date of redemption	Closing balance As at	
		March 31, 2024	March 31, 2023				March 31, 2024	March 31, 2023
INE516Q08422	Sub Debt	15,000	-	1,00,000.00	11.25%	16-May-29	15,000.00	-
INE516Q08331	Sub Debt	10,000	10,000	1,00,000.00	11.90%	26-Jun-26	10,000.00	10,000.00
INE516Q08430	Sub Debt	10,000	-	1,00,000.00	11.25%	07-Jul-30	10,000.00	-
INE516Q08372	Sub Debt	5,000	5,000	1,00,000.00	13.50%	31-Dec-27	5,000.00	5,000.00
INE516Q07465	Other Than Sub Debt	2,500	-	1,00,000.00	9.30%	20-Jan-26	2,500.00	-
INE516Q08414	Sub Debt	2,500	2,500	1,00,000.00	11.25%	31-Mar-29	2,500.00	2,500.00
INE516Q07424	Other Than Sub Debt	1,450	1,450	10,00,000.00	11.05%	15-Sep-26	14,500.00	14,500.00
INE516Q07457	Other Than Sub Debt	1,150	1,150	10,00,000.00	8.50%	28-Sep-24	11,500.00	11,500.00
INE516Q07440	Other Than Sub Debt	1,000	1,000	10,00,000.00	9.60%	12-Sep-24	10,000.00	10,000.00
INE516Q07432	Other Than Sub Debt	750	750	10,00,000.00	9.70%	09-May-24	7,500.00	7,500.00
INE516Q07416	Other Than Sub Debt	730	730	10,00,000.00	11.05%	27-Feb-25	7,300.00	7,300.00
INE516Q08380	Sub Debt	550	550	10,00,000.00	13.50%	31-May-27	5,500.00	5,500.00
INE516Q07382	Other Than Sub Debt	500	-	7,50,000.00	9.22%	30-Mar-25	3,750.00	-
INE516Q08356	Other Than Sub Debt	350	-	3,33,333.00	11.40%	31-Dec-24	1,166.67	-
INE516Q08398	Sub Debt	100	100	1,00,00,000.00	11.25%	03-Oct-28	10,000.00	10,000.00
INE516Q08406	Sub Debt	50	50	1,00,00,000.00	11.25%	25-Nov-28	5,000.00	5,000.00
INE516Q07283	Other Than Sub Debt	-	750	10,00,000.00	10.50%	28-Apr-23	-	7,500.00
INE516Q07291	Other Than Sub Debt	-	450	10,00,000.00	11.00%	29-May-23	-	4,500.00
INE516Q07309	Other Than Sub Debt	-	500	1,66,666.00	11.25%	21-Apr-23	-	833.33
INE516Q07317	Other Than Sub Debt	-	850	10,00,000.00	11.00%	26-Jun-23	-	8,500.00
INE516Q07382	Other Than Sub Debt	-	500	8,80,000.00	9.22%	30-Mar-25	-	4,400.00
INE516Q07390	Other Than Sub Debt	-	606	10,00,000.00	9.65%	13-Jul-23	-	6,060.00
INE516Q07408	Other Than Sub Debt	-	1,726	10,00,000.00	9.71%	29-Jan-24	-	17,260.00
INE516Q08158	Sub Debt	-	150	10,00,000.00	12.42%	28-Jun-23	-	1,500.00
INE516Q08281	Other Than Sub Debt	-	50,000	10,000.00	11.63%	30-May-24	-	5,000.00
INE516Q08356	Other Than Sub Debt	-	350	6,66,666.00	11.40%	31-Dec-24	-	2,333.33
INE516Q08364	Other Than Sub Debt	-	450	3,33,333.00	10.00%	23-Feb-24	-	1,500.00

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

17.5 Details of terms of repayment - term loans from bank and others

As at year ended March 31, 2024

			Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above 5 years	
Tenure	**Repayment**	**Interest Range**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**
1 to 3 year	Bullet	7%-9%	-	-	-	-	1	25,000.00	-	-	-	-	-	-
		9%-11%	2	2,000.00	1	1,000.00	-	-	-	-	-	-	-	-
	Monthly	5%-7%	12	5,806.28	-	-	-	-	-	-	-	-	-	-
		7%-9%	20	3,833.33	5	1,041.67	-	-	-	-	-	-	-	-
		9%-11%	595	2,10,044.27	289	1,06,657.17	42	14,926.50	-	-	-	-	-	-
		11%-13.5%	38	12,542.31	5	3,350.00	-	-	-	-	-	-	-	-
	Quarterly	9%-11%	211	2,34,941.46	113	1,27,235.54	15	15,276.00	-	-	-	-	-	-
		11%-13.5%	4	1,666.67	-	-	-	-	-	-	-	-	-	-
	Half Yearly	11%-13.5%	4	4,225.00	-	-	-	-	-	-	-	-	-	-
Above 3 year	Monthly	9%-11%	4	2,545.45	4	2,545.45	2	1,272.73	-	-	-	-	-	-
	Quarterly	9%-11%	8	8,223.00	8	8,223.00	8	8,223.00	8	8,223.00	4	4,800.00	1	1,200.00
		11%-13.5%	4	8,400.00	4	8,400.00	4	2,400.00	4	2,400.00	-	-	-	-
	Half Yearly	9%-11%	2	200.00	2	200.00	2	200.00	2	200.00	2	200.00	-	-

As at year ended March 31, 2023

			Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above 5 years	
Tenure	**Repayment**	**Interest Range**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**	**No. of Instalments**	**Amount**
1 to 3 year	Bullet	9%-11%	10	37,445.00	-	-	-	-	-	-	-	-	-	-
	Monthly	5%-7%	-	-	24	11,612.84	-	-	-	-	-	-	-	-
		7%-9%	16	3,354.35	20	3,333.33	-	-	-	-	-	-	-	-
		9%-11%	57	17,756.53	278	90,735.32	189	64,637.99	-	-	-	-	-	-
		11%-13.5%	13	5,714.29	-	-	29	19,334.00	-	-	-	-	-	-
	Quarterly	7%-9%	-	-	18	24,682.93	-	-	-	-	-	-	-	-
		9%-11%	7	6,325.00	102	1,03,658.33	42	48,045.45	-	-	-	-	-	-
	Half Yearly	9%-11%	4	5,375.00	-	-	-	-	-	-	-	-	-	-
Above 3 year	Monthly	7%-9%	-	-	36	6,250.00	-	-	-	-	-	-	-	-
		9%-11%	-	-	54	6,287.64	63	32,291.67	-	-	-	-	-	-
		11%-13.5%	-	-	56	10,140.96	-	-	-	-	-	-	-	-
	Quarterly	7%-9%	-	-	-	-	30	25,605.33	-	-	-	-	-	-
		9%-11%	-	-	16	10,902.73	-	-	32	18,800.00	36	39,915.00	-	-
		11%-13.5%	-	-	-	-	-	-	-	-	20	30,000.00	-	-
	Half Yearly	11%-13.5%	2	444.00	10	11,100.00	-	-	-	-	-	-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

17.6 Reconciliation of liabilities arising from financing activities

Particulars	Debt securities (including subordinatedliabilities)	Borrowings (other than debt)	Commercial Paper	Total
April 01, 2022	**1,75,023.10**	**3,80,124.05**	**-**	**5,55,147.15**
Proceeds	39,000.00	5,34,276.00	34,695.67	6,07,971.67
Repayment	(60,567.30)	(2,39,346.00)	(34,695.67)	(3,34,608.97)
Interest expense	16,871.05	40,710.20	476.45	58,057.70
Interest & Transaction cost paid	(13,113.33)	(40,753.89)	(476.45)	(54,343.67)
Fair Value Changes	-	-	-	-
March 31, 2023	**1,57,213.52**	**6,75,010.36**	**-**	**8,32,223.88**
Proceeds	27,500.00	6,13,687.50	8,355.00	6,49,542.50
Repayment	(54,468.50)	(4,09,528.75)	(8,355.00)	(4,72,352.25)
Interest expense	16,058.72	67,820.37	145.01	84,024.10
Interest & Transaction cost paid	(17,250.24)	(67,891.73)	(145.01)	(85,286.98)
Fair Value Changes				
March 31, 2024	**1,29,053.50**	**8,79,097.75**	**-**	**10,08,151.25**

18 Subordinated liabilities

	As at March 31, 2024	As at March 31, 2023
Redeemable Non-Convertible Debentures (Unsecured) - Subordinated Debt	65,130.40	39,401.05
	65,130.40	**39,401.05**

19 Other financial liabilities

	As at March 31, 2024	As at March 31, 2023
(a) Interest payable on assets assigned	4,172.84	3,696.82
(b) Lease liabilities (Also, refer note 34)	12,661.33	10,345.64
(c) Other payables	13,843.61	3,370.58
	30,677.78	**17,413.04**

20 (a) Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023
Provision for taxation (net)	-	-
	-	**-**

20 (b) Provisions (Also, refer note 35)

	As at March 31, 2024	As at March 31, 2023
(a) Provision for compensated absences	590.76	466.49
(b) Provision for gratuity	589.14	581.51
	1,179.90	**1,048.00**

21 Other non financial liabilities

	As at March 31, 2024	As at March 31, 2023
(a) Statutory dues payable	1,468.62	1,316.45
(b) Other payables	-	583.72
	1,468.62	**1,900.17**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

22 Equity share capital

	As at March 31, 2024	As at March 31, 2023
Authorised*		
30,00,00,000.00 equity shares (March 31, 2023 - 9,00,00,000.00) of ₹ 10/- each*	30,000.00	9,000.00
10,00,000 preference shares of ₹ 100/- each*	-	1,000.00
Issued, subscribed and paid up**		
20,02,83,372 shares (as at March 31, 2023 - 62,640,245 shares) of ₹ 10/- each	20,028.34	6,264.02

For each class of equity share capital:		No of equity share	Amount (Equity share) (in ₹ Lakhs)	Remarks
(a)	the number and amount of shares authorized*	30,00,00,000	30,000.00	
(b)	the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;	20,02,83,372	20,028.34	
(c)	par value per share;	10		
(d)	a reconciliation of the number of shares outstanding at the beginning and at the end of the period;	Details given in Note 1		
(e)	the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;	NA		There are only one class as Equity share. The Company has only one class of equity shares having a par value of ₹10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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. Dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.
(f)	shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;	19,54,85,619	19,548.56	As on March 31, 2024 Holding company Manappuram Finance Limited(Details given as Note 2)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

For each class of equity share capital:		No of equity share	Amount (Equity share) (in ₹ Lakhs)	Remarks
(g)	shares in the company held by each shareholder holding more than five percent shares specifying the number of shares held;	19,54,85,619	19,548.56	As on March 31, 2024 Holding company Manappuram Finance Limited(Details given as Note 2)
(h)	shares reserved for issue under options and contracts/ commitments for the sale of shares or disinvestment, including the terms and amounts;	NA		
(i)	For the period of five years immediately preceding the date at which the Balance Sheet is prepared:			
	• Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;	NA		
	• Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and**	13,35,22,248	13,352.22	
	• Aggregate number and class of shares bought back;	NA		
(j)	terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date;	NA		
(k)	calls unpaid (showing aggregate value of calls unpaid by Directors and officers);	NA		
(l)	forfeited shares (amount originally paid up)	NA		
(m)	An NBFC shall disclose information that enables users of its financial statements to evaluate the NBFC's objectives, policies and processes for managing capital.	NA		

* During the year ended March 31, 2024, the authorized preference share capital was sub-divided from 10,00,000 Preference Shares of ₹ 100 each to 1,00,00,000 Preference Shares of ₹ 10 each. Further the Company reclassified 1,00,00,000 Preference Shares of ₹ 10 each to 1,00,00,000 Equity Shares of ₹ 10 each and during the year ended March 31, 2024, the authorized equity share capital was increased from 10,00,00,000 equity shares of ₹ 10 each amounting to ₹ 10,000 Lakhs to 30,00,00,000 equity shares of INR 10 each amounting to ₹ 30,000 Lakhs which was duly approved by the board in meeting dated August 16, 2023 and by the shareholders of the Company by means of an ordinary resolution dated August 18, 2023.

** i) The Board of Directors at their meeting held on 14th June, 2023 approved rights issue of 41,20,879 equity shares of ₹ 10/- each at a premium of ₹ 354/- per share amounting to ₹ 149,99,99,956/- which was allotted at the Board Meeting held on 30th June, 2023

ii) Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on August 16, 2023 had approved the bonus issue of two for every one share held on record date which was approved by the shareholders by means of a special resolution dated August 18, 2023. Through a Board resolution dated August 26, 2023, the Company has allotted 13,35,22,248 equity shares of ₹ 10 each as bonus shares to the existing equity shareholders of the Company.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

A company shall disclose Shareholding of Promoters as below:

Shares held by promoters at the end of the year			% Change during the year***
Promoter name	**No. of Shares***	**%of total shares**	
Manappuram Finance Limited	19,54,85,619	97.60%	0.00%
Mr. V.P Nandakumar**	7,78,209	0.39%	0.00%

* Details shall be given separately for each class of shares

** Pursuant to Board Resolution dated February 13, 2024, based on the current operations and management of the Company and the provisions of the Companies Act, SEBI Regulations and other applicable laws, Mr. V.P Nandakumar has been identified as the individual promoter of the Company.

*** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

Note 1

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	No. of shares*	**Amount**	**No. of shares***	**Amount**
At the beginning of the year	6,26,40,245	6,264.02	5,33,11,887	5,331.19
Issued during the year	13,76,43,127	13,764.31	93,28,358	932.84
Outstanding at the end of the period/year	**20,02,83,372**	**20,028.33**	**6,26,40,245**	**6,264.02**

Note 2

Class of shares/Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No of shares held*	**% holding in the class of shares**	**No of shares held***	**% holding in the class of shares**
Equity Shares of ₹ 10 each Manappuram Finance Limited (the Holding Company)	19,54,85,619	97.60%	6,11,38,729	97.60%

* No. of shares are in absolute numbers

Note 3 Terms/Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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

Dividend proposed by the Board of Directors,if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

Employees Stock Option Scheme (ESOS) (Also, refer note no 52) :

During the year ended March 31, 2020, the Company introduced Employee Stock Option Scheme to eligible employees of the Company w.e.f from July 01, 2019 ("Relevant Date"). Accordingly 8,30,000 options were issued with a graded vesting period and 17,500 options are outstanding as at March 31, 2024.

23 Other equity

	As at March 31, 2024	As at March 31, 2023
(a) Capital redemption reserve	500.00	500.00
(b) ESOP Contribution	16.93	53.53
(c) Statutory reserve	23,657.55	14,491.48
(d) Securities premium account	81,113.74	79,878.05

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

		As at March 31, 2024	As at March 31, 2023
(e)	General reserve	141.64	113.78
(f)	Retained Earning (Surplus in statement of profit and loss)	89,695.30	53,031.00
(g)	Remeasurement Gain/Loss On Defined Benefit Obligation	(290.59)	(42.98)
(h)	OCI (Effective portion of cash flow hedge)	243.85	655.36
(i)	Equity Investments Fair valued through other comprehensive income	0.55	0.65
(j)	Other Investments Fair valued through other comprehensive income	(270.64)	(512.50)
(k)	OCI (Tax related to items that will not be reclassified)	66.51	4.16
(l)	OCI (Tax related to items that will be reclassified)	6.76	(35.94)
		1,94,881.60	**1,48,136.59**

(a) Capital redemption reserve

In accordance with Section 69 of the Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve

(b) ESOP Contribution

Under Ind AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

(c) Statutory reserve

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve on the restated financial information.

(d) Securities Premium Account

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(e) General reserve

General reserve represents an appropriation of profits by the Company.

(f) Retained Earning (Surplus in statement of profit and loss)

Surplus in statement of profit and loss represents the surplus in Profit and Loss Account and appropriations.

(g) Other comprehensive income (OCI) - Remeasurement Gain/ Loss On Defined Benefit Obligation

Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability.

(h) OCI (Effective portion of cash flow hedge)

Represents remeasurement of cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI

(i) Equity Investments Fair valued through other comprehensive income

Represents the change in equity investments which is fair value through OCI

(j) Other Investments Fair valued through other comprehensive income

Represents the change in other investments which are fair value through OCI

(k) OCI (Tax related to items that will not be reclassified)

Represents the tax relating to items that will not be reclassified

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

(l) OCI (Tax related to items that will be reclassified)

Represents the tax relating to items that will be reclassified

		As at March 31, 2024	As at March 31, 2023
(a)	**Capital redemption reserve**		
	Opening balance	500.00	500.00
	Add: Additions during the year	-	-
	Less: Utilised/transferred during the year	-	-
	Closing balance	**500.00**	**500.00**
(b)	**ESOS Contribution (Refer Note No. 52)**		
	Opening balance	53.53	143.96
	Add/(Less) : (Reversal)/Contribution during the year	0.64	(21.02)
	Less : Adjustment for Forfeiture and Expiration	(37.24)	(69.41)
	Less : Utilised during the year	-	-
	Closing balance	**16.93**	**53.53**
(c)	**Statutory reserve**		
	Opening balance	14,491.48	10,022.90
	Add: Additions during the year (Also, refer note no 50)	9,166.07	4,468.58
	Less: Utilised/transferred during the year	-	-
	Closing balance	**23,657.55**	**14,491.48**
(d)	**Securities premium account**		
	Opening balance	79,878.05	55,810.89
	Add : Premium on right shares issued during the year	14,587.91	24,067.16
	Less : Utilised for issuance of bonus shares during the year	(13,352.22)	-
	Closing balance	**81,113.74**	**79,878.05**
(e)	**General reserve**		
	Opening balance	113.78	61.84
	Add: Transferred from surplus in statement of profit and loss	-	-
	Less: Utilised/transferred during the year	-	-
	Add : Adjustment for Forfeiture and Expiration ESOP	37.24	69.41
	Less: Adjustment for Deferred Tax	(9.38)	(17.47)
	Closing balance	**141.64**	**113.78**
(f)	**Retained Earning (Surplus in statement of profit and loss)**		
	Opening balance	53,031.00	35,156.68
	Add/(Less) : Profit for the year	45,830.37	22,342.90
	Less: Restatement Impact	-	-
	Less:Transfer to Statutory Reserve	(9,166.07)	(4,468.58)
	Closing balance	**89,695.30**	**53,031.00**
(g)	**Remeasurement Gain/Loss On Defined Benefit Obligation**		
	Opening balance	(42.98)	6.68
	Add/(Less): Effect for the year	(247.61)	(49.66)
	Less:Transfer to Statutory Reserve	-	-
	Closing balance	**(290.59)**	**(42.98)**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

		As at March 31, 2024	As at March 31, 2023
(h)	**OCI (Effective portion of cash flow hedge)**		
	Opening balance	655.36	355.39
	Add/(Less): Effect for the year	(411.51)	299.97
	Closing balance	**243.85**	**655.36**
(i)	**Equity Investments Fair valued through other comprehensive income**		
	Opening balance	0.65	0.65
	Less: Effect for the year	(0.10)	-
	Closing balance	**0.55**	**0.65**
(j)	**Investments Fair valued through other comprehensive income**		
	Opening balance	(512.50)	(277.70)
	Less: Effect for the year	241.86	(234.80)
	Closing balance	**(270.64)**	**(512.50)**
(k)	**OCI (Tax related to items that will not be reclassified)**		
	Opening balance	4.16	(8.34)
	Less: Effect for the year	62.35	12.50
	Closing balance	**66.51**	**4.16**
(l)	**OCI (Tax related to items that will be reclassified)**		
	Opening balance	(35.94)	(19.54)
	Less: Effect for the year	42.70	(16.40)
	Closing balance	**6.76**	**(35.94)**
	TOTAL	**1,94,881.60**	**1,48,136.59**

24 (a) Interest income (at Amortised Cost)

		Year ended March 31, 2024	Year ended March 31, 2023
(i)	**Interest income from loan:**		
	- Interest on loan- microfinance loans	2,26,855.05	1,39,569.50
	- Interest on loan- MSME & Gold loans	18,714.93	10,860.99
(ii)	Interest on deposits with banks and financial institutions	5,838.77	4,093.29
(iii)	Other interest income	-	-
		2,51,408.75	**1,54,523.78**

24 (b) Net gain on derecognition of financial instruments under amortised cost category

	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on derecognition of financial instruments under amortised cost category	14,250.01	10,369.52
	14,250.01	**10,369.52**

25 Other operating income

	Year ended March 31, 2024	Year ended March 31, 2023
Loss assets recovered	2,472.68	6,626.23
	2,472.68	**6,626.23**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

26 Other income

		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Referral fees	4,568.55	4,052.00
(b)	Miscellaneous income	494.20	356.11
		5,062.75	**4,408.11**

27 Finance cost

Finance cost on financial liability measured at amortised cost

		Year ended March 31, 2024	Year ended March 31, 2023
(a)	**Interest on borrowings**		
-	Term Loans from banks	65,567.85	36,711.51
-	Term Loans from NBFCs	3,992.06	3,669.91
-	Borrowings under securitisation arrangement	3,971.07	224.90
-	Other financial institutions	580.00	1,893.44
-	Commercial paper	146.64	479.00
-	Overdraft	127.20	334.83
(b)	**Interest on debt securities**		
-	Debentures & subordinated liabilities	16,881.43	17,340.40
(c)	**Other interest expense**		
-	Interest on finance lease obligations	1,490.40	1,196.89
(d)	**Other Borrowing Costs**		
-	Loan processing fees	167.87	575.40
-	Bank charges	1,816.80	558.48
		94,741.32	**62,984.76**

28 Impairment of financial instruments (Also, refer note 7.4)

	Year ended March 31, 2024	Year ended March 31, 2023
Loans	43,695.14	27,353.63
Investments	2,098.16	-
Other Financial Assets	579.65	14.80
	46,372.95	**27,368.43**
Less : Exceptional item	-	-
	46,372.95	**27,368.43**

29 Employee benefit expenses

		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Salaries and wages	44,544.26	35,110.52
(b)	Contributions to provident and other funds	3,924.92	3,816.16
(c)	Gratuity expenses (Also, refer note 35)	576.24	667.52
(d)	Staff welfare expenses	(207.35)	90.76
(e)	ESOP Expenses (Refer Note No. 52)	0.64	(21.02)
		48,838.71	**39,663.94**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

30 Depreciation and amortisation expense (Also, refer note 12)

		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Depreciation of tangible assets	1,652.43	973.31
(b)	Amortization of other intangible assets	529.26	139.44
(c)	Amortization of right of use asset	2,894.55	2,284.39
		5,076.24	**3,397.14**

31 Other expenses

		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Electricity	509.24	319.54
(b)	Rent (Also, refer note 34)	331.17	184.71
(c)	Repairs and maintenance	132.67	178.01
(d)	Insurance	1,015.32	359.27
(e)	Rates and taxes	287.38	170.95
(f)	Communication expenses	1,090.84	927.66
(g)	Travel and conveyance	5,851.40	4,635.71
(h)	Printing and stationery	572.62	305.01
(i)	Directors' sitting fees (Also, refer note 36)	71.66	51.27
(j)	Business promotion	465.81	418.81
(k)	CSR expenses (Also, refer note 48)	241.63	239.73
(l)	Legal and professional fees	1,314.68	782.88
(m)	Provision for insurance claim receivable	(82.67)	(176.24)
(n)	Subscription charges	81.81	30.70
(o)	Software costs (Also, refer note 36)	2,202.39	1,432.27
(p)	Security charges	25.31	(1.95)
(q)	House keeping expenses	231.07	206.84
(r)	Office expenses	696.46	229.49
(s)	Directors commission (Also, refer note 36)	183.97	120.00
(t)	Payments to statutory auditors' (net of input tax credit)		
	- Statutory audit	26.95	21.50
	- Tax audit	2.73	1.50
	- Other services (Limited Review, Interim Audit and Certification)	11.28	16.35
	- Out of pocket expenses	31.16	27.70
(u)	Miscellaneous expenses	706.61	939.02
		16,001.49	**11,420.73**

32 Segment reporting

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Microfinance Loans.The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company,and makes strategic decisions and are identified as being the CODM. The allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations and no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

33 Earnings per share

Basic and Diluted earnings per share :

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Net Profit attributable to Equity Shareholders - ₹ in Lakhs (Basic and Diluted)	45,830.37	22,342.90
(b)	Weighted average number of equity shares in calculating basic Earnings Per Share (Nos.)*	19,72,43,379.30	17,40,43,205.15
(c)	Earnings per share - Basic ₹ (Per equity share, face value ₹ 10/- each)	23.24	12.84
(d)	Weighted average number of equity shares in calculating Diluted Earnings Per Share (Nos.)*	19,72,47,091.42	17,40,43,205.15
(e)	Earnings per share - Diluted - ₹ (Per equity share, face value ₹ 10/- each)	23.24	12.84

* The Board of directors of the Company at its meeting held on August 16, 2023, considered and approved issue of 2 bonus equity shares of face value of ₹ 10/- each against 1 equity share of the face value of ₹ 10 each. The shareholders in their meeting held on August 18 ,2023, have approved the issue of bonus shares and through a Board resolution dated August 26, 2023, the Company has allotted equity shares as bonus shares to the existing equity shareholders of the Company. The Company has adjusted earning per share for all the periods presented as per Ind AS 33. The impact of bonus shares on the rights issue is considered from the date when the shares under rights issue were alloted.

34 Leases

Details of Income/Expense recognised in the statement of Profit and Loss :

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense on right-of-use assets	2,894.55	2,284.39
Interest expense on lease liabilities	1,490.40	1,196.89
Total cash outflow for leases	3,342.17	2,567.95
Lease expense on Low Value Assets / Short term assets	331.17	184.71
	8,058.29	**6,233.94**

Maturity analysis of Lease Liabilities (valued on undiscounted basis):

	Year ended March 31, 2024	Year ended March 31, 2023
Year 1	1,108.32	869.95
Year 2	1,916.75	2,971.92
Year 3	1,661.92	1,721.68
Year 4	2,876.78	444.91
Year 5	3,291.49	3,361.18

35 Employee benefits

35.1 Defined contribution plan

(a) The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

(b) Expenses recognised

	Year ended March 31, 2024	Year ended March 31, 2023
Included under 'Contributions to Provident and Other Funds' (Refer Note 29)		
Contributions to provident and pension funds	3,055.62	2,989.57
Contributions to Employee State Insurance	869.30	826.59
	3,924.92	**3,816.16**

35.2 Compensated absences

Expenses recognised

	Year ended March 31, 2024	Year ended March 31, 2023
Included under salaries and wages (Refer Note 29)	186.74	29.02
	186.74	**29.02**

	Year ended March 31, 2024	Year ended March 31, 2023
Current portion	205.63	136.56
Non - current portion	385.13	329.93
Net liability/(asset) recognised in the balance sheet	**590.76**	**466.49**

The key assumptions used in the computation of provision for compensated absences are as given below:

		As at March 31, 2024	As at March 31, 2023
Discount Rate (% p.a)		6.90%	7.10%
Future Salary Increase (% p.a)		10.00%	10.00%
Attrition Rate	(i) below 35 years	35.00%	35.00%
	(ii) above 35 years	20.00%	20.00%

35.3 Defined benefit plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

	As at March 31, 2024	As at March 31, 2023
Amounts recognised in statement of profit & loss		
Service cost		
- Current service cost	544.66	655.27
- Past service cost	-	-
- Net interest expense	31.58	12.25
Components of defined benefit costs recognised in statement of profit or loss (A)	**576.24**	**667.52**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Amounts recognised in statement of other comprehensive income		
Actuarial (gain)/loss on Plan Obligations	298.06	463.79
Difference between actual return and interest income on plan assets- (gain)/loss	(50.45)	(414.13)
Components of defined benefit costs recognised in other comprehensive income (B)	247.61	49.66
TOTAL	**823.85**	**717.18**

(i) The current service cost and interest expense for the year are included in the Note 29 - Employee benefit expenses in the statement of profit & loss under the line contribution to provident and other funds.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(iii) The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit credit method.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	2,784.35	2,455.44
Fair value of plan assets	2,195.21	1,873.93
Net (Liability) recognised in the balance sheet	(589.14)	(581.51)
Current portion of the above	-	-
Non current portion of the above	(589.14)	(581.51)
	(589.14)	**(581.51)**

(c) Movement in the present value of the defined benefit obligation are as follows :

	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation at the beginning of the year	2,455.44	1,424.67
Expenses recognised in profit and loss account		
- Current Service cost	544.66	655.27
- Past Service Cost	-	-
- Interest expense (income)	174.34	93.03
Remeasurement gains / (losses)	-	-
- Effect of Changes in Demographic assumptions	-	(252.07)
- Effect of Changes in financial assumptions	41.11	(62.04)
- Effect of experience adjustments	256.95	777.90
Benefit payments	(884.72)	(411.58)
Effect of transfer of employees from Holding Company	196.57	230.26
Present value of defined benefit obligation at the end of the year	**2,784.35**	**2,455.44**

(i) The weighted average duration of the benefit obligation at March 31, 2024 is 2.5 years (at March 31, 2023 is 2.0 years)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

(d) Movement in fair value of plan assets are as follows :

	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at the beginning of the year	1,873.93	777.84
expenses recognised in profit and loss account		
- Expected return on plan assets	142.76	80.78
Remeasurement gains / (losses)	-	-
- Actuarial gains/(loss) arising form changes in financial assumptions	50.45	414.13
Contributions by employer (including benefit payments recoverable)	816.22	782.50
Benefit payments	(884.72)	(411.58)
Effect of transfer of employees from Holding Company	196.57	230.26
Fair value of plan assets at the end of the year	**2,195.21**	**1,873.93**

(e) The fair value of plan assets for India at the end of the reporting period for each category are as follows :

	As at March 31, 2024	As at March 31, 2023
Investment funds with insurance company (Life Insurance Corporation of India)	2,195.21	1,873.93

(i) The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.

(ii) The actual return on plan asset as for the year ended March 31, 2024 was ₹ 193.21 Lakhs (for the year ended March 31, 2023 was ₹ 494.91 Lakhs)

(f) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	6.90%	7.10%
Expected rate of salary increase	10.00%	10.00%
Withdrawal Rate		
(i) below 35 years	35.00%	35.00%
(ii) above 35 years	20.00%	20.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

1. The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation.

2. The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

3. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund (maintained by the Life Insurance Corporation ("LIC")) and is well diversed.

Risks associated with plan provisions

Investment risk:

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Interest risk:

A decrease in the yield of Indian government securities will increase the plan liability.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

35.4 Defined benefit plans (continued)

Risks associated with plan provisions (continued)

Sensitivity analysis:

The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Discount rate		
- Increase by 50 bps	(57.68)	(51.32)
- Decrease by 50 bps	62.33	55.47
(b) Salary growth rate		
- Increase by 50 bps	59.93	53.44
- Decrease by 50 bps	(56.59)	(50.46)
(c) Withdrawal rate		
- Increase by 50 bps	(18.03)	(14.84)
- Decrease by 50 bps	19.04	15.64
(d) Mortality rate		
- Increase in Expected life time by one year	0.20	0.25
- Increase in Expected life time by three years	0.60	0.63

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

(g) Effect of plan on entity's future cash flows

(i) The Company expects to make a contribution of ₹ 800 Lakhs during FY 2024-25.

(ii) The weighted average duration of the benefit obligation at March 31, 2024 is 2.5 years (at March 31, 2023 is 2.0 years)

(iii) Maturity profile of defined benefit obligation:

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Expected cash flows over the next (valued on undiscounted basis):

	As at March 31, 2024	As at March 31, 2023
Within 1 year	800.00	550.00
1 to 5 years	N/A	N/A
More than 5 years	N/A	N/A

Experience Adjustments

	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation	2,784.35	2,455.44
Fair value of plan assets	2,195.21	1,873.93
Surplus/(deficit)	(589.14)	(581.51)
Experience adjustment on plan liabilities [Gain/(Loss)]	(298.06)	(463.79)
Experience adjustment on plan assets [Gain/(Loss)]	50.45	414.13

36 Related party transactions

36.1 Names of related parties and nature of relationship

Nature of relationship	Name of the party
Key Management Personnel (KMP) of the company	Mr. BN Raveendra Babu - Managing Director
	Mr. V P Nandakumar - Chairman
	Mr. A Ramanathan - Independent Director
	Mr. Yogesh Ratnakar Udhoji - Chief Financial Officer (upto May 16, 2022)
	Mr. Rajesh KRN Namboodiripad - Chief Financial Officer (w.e.f. May 17, 2022)
	Mr. Abhijit Sen - Independent Director
	Mr. Desh Raj Dogra - Independent Director
	Mr. Gautam Rathindranath Saigal - Non Independent Director
	Ms. Sumitha Nandan - Non Independent Director (w.e.f September 22, 2023 till February 13, 2024)
	Ms. Pushya Sitaraman - Independent Director
	Mr. Subrata Kumar Atindra Mitra - Independent Director
	Mr. T. Balakrishnan - Independent Director
	Mr. T.M. Manoharan - Independent Director (Upto 15 July, 2023)
	Mr. Harshan Kollara - Independent Director
	Ms. Anita Belani - Independent Director (w.e.f. January 23, 2023)
	Mr. S V Raja Vaidyanathan - Non Independent Director
	Ms. Aparna Menon - Company Secretary
Holding company	Manappuram Finance Limited
Entity over which KMP has significant Influence	Vivriti Capital Limited (w.e.f. January 23, 2023)
	Infomerics valuation and Rating Private Limited
	Proficient investment and financial consultancy Private Limited
Group Entities	Manappuram Comptech and Consultants Limited
	Manappuram Foundation
Benefitial Related Party within the Group Companies	Manappuram Insurance Brokers Ltd (w.e.f. April 01, 2023)*

Note: Related party relationships are as identified by the Management.

* The party has been identified as the related party transaction pursuant to change in the definition of related party as stated in section 2 sub-section (zc) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. A listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

36.2 A. Transactions with the related parties

Nature	Name of the party	Year ended March 31, 2024	Year ended March 31, 2023
Remuneration to KMP	Mr. BN Raveendra Babu	144.34	137.50
	Mr. Yogesh Ratnakar Udhoji	-	18.60
	Mr.Rajesh KRN Namboodiripad	31.64	30.70
	Ms. Aparna Menon	17.80	16.50
Donation	Manappuram Foundation	395.95	379.85
Issue of Right Shares (Including Securities Premium)*	Manappuram Finance Limited	14,644.24	24,529.70
	Mr. S V Raja Vaidyanathan	217.43	95.37
	Mr. V P Nandakumar	58.28	268.00
	Mr. A Ramanathan	8.01	10.72
	Mr. D.R. Dogra	40.86	49.85
	Mr. Gautam Saigal	11.54	19.22
	Mr. BN Raveendra Babu	14.12	23.53
Issue of Bonus Shares (Ratio 2:1)	Manappuram Finance Limited (13,03,23,746 Shares)	-	-
	Mr. S V Raja Vaidyanathan (22,39,468 Shares)	-	-
	Mr. V P Nandakumar (5,18,806 Shares)	-	-
	Mr. A Ramanathan (76,400 Shares)	-	-
	Mr. D.R. Dogra (59,648 Shares)	-	-
	Mr. Gautam Saigal (1,02,670 Shares)	-	-
	Mr. BN Raveendra Babu (1,25,644 Shares)	-	-
Term Loan	Manappuram Finance Limited	12,000.00	13,000.00
Sub-debt	Manappuram Finance Limited	15,000.00	-
Rent & other amenities	Manappuram Finance Limited	39.61	12.49
	Proficient Investment And Financial Consultancy Pvt Ltd	-	2.39
Reimbursement of Expense	Manappuram Finance Limited	71.66	-
Rent receivable (Including Reimburesement)	Manappuram Finance Limited	13.86	2.44
Rating fee payable	Infomerics valuation and Rating Private Limited	74.68	-
Training expenses	Manappuram Finance Limited	66.23	74.52
Interest Expense	Vivriti Capital Limited	147.85	89.19
	Manappuram Finance Limited	1,961.94	761.03
Purchase of software	Manappuram Comptech and Consultants Limited	1,191.89	425.16
Software expense	Manappuram Comptech and Consultants Limited	1,104.56	1,167.14
Sitting fees	Mr. A Ramanathan	4.88	4.97
	Mr. Abhijit Sen	8.77	5.83
	Mr. D.R. Dogra	8.28	5.53
	Mr. Gautam Saigal	8.59	5.40
	Ms. Pushya Sitaraman	5.70	3.87
	Mr. Subrata Kumar Atindra Mitra	5.13	2.88
	Mr. T. Balakrishnan	8.38	5.32
	Mr. T.M. Manoharan	-	1.16

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Nature	Name of the party	Year ended March 31, 2024	Year ended March 31, 2023
	Mr. Harshan Kollara	7.35	4.30
	Ms. Anita Belani	4.29	0.60
	Mr. S V Raja Vaidyanathan	10.10	7.28
Commission (Excluding GST)	Mr. A Ramanathan	1.90	11.10
	Mr. D.R. Dogra	22.05	15.45
	Mr. Subrata Kumar Atindra Mitra	20.20	16.30
	Mr. Abhijit Sen	15.80	11.20
	Mr. Gautam Saigal	19.77	13.73
	Ms. Pushya Sitaraman	19.77	13.73
	Mr. T. Balakrishnan	19.77	13.73
	Mr. Harshan Kollara	19.30	11.20
	Ms.Anita Belani	14.32	2.46
	Mr. S V Raja Vaidyanathan	15.90	11.10
	Mr. BN Raveendra Babu	60.00	60.00

* The Board approved the Right issue of 41,20,879 Equity Shares of ₹ 10 each fully paid up at ₹ 364 per share at the meeting held on June 30, 2023 and the Right issue of 93,28,358 Equity Shares of ₹ 10 each fully paid up at ₹ 268.00 per share at the meeting held on September 29, 2022.

B. Transactions of the beneficial related party

Nature	Name of the party	As at March 31, 2024
Insurance Commission on insurance premium paid by Asirvad Micro Finance Limited	Manappuram Insurance Brokers Ltd	15.92

36.3 Balance as at year end

Nature	Name of the party	Year ended March 31, 2024	Year ended March 31, 2023
Interest on loan payable	Manappuram Finance Limited	1,484.08	-
Training expense payable	Manappuram Finance Limited	66.23	-
Rent receivable	Manappuram Finance Limited	-	2.44
Software expense payable	Manappuram Comptech and Consultants Limited	30.07	33.54
Performance incentive payable	Mr. BN Raveendra Babu	60.00	60.00
Commission payable	Mr. A Ramanathan	-	11.10
	Mr. D.R. Dogra	19.50	15.45
	Mr. Subrata Kumar Atindra Mitra	17.50	16.30
	Mr. Abhijit Sen	14.00	11.20
	Mr. Gautam Saigal	17.50	13.73
	Ms. Pushya Sitaraman	17.50	13.73
	Mr. T. Balakrishnan	17.50	13.73
	Mr.Harshan Kollara	17.50	11.20
	Ms. Anita Belani	14.00	2.46
	Mr. S V Raja Vaidyanathan	14.00	11.10

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Note:

(a) The Company accounts for costs incurred by/on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties.

(b) The Related Parties have confirmed to the Management that as at year ended March 31, 2024 and March 31, 2023 there are no further amounts payable to/receivable from them, other than as disclosed above.

(c) The above compensation to key management personnel includes value of pequisites and excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

(d) The transactions during the period are Inclusive of GST except for commission.

36.4 Disclosures of Transactions Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015:

	As at March 31, 2024		As at March 31, 2023	
Particulars	**Amount Outstanding**	**Maximum Amount Outstanding during the year**	**Amount Outstanding**	**Maximum Amount Outstanding during the year**
Loans and advances in the nature of loans				
From Holding Company	15,000	40,000	13,000	13,000
To Fellow Subsidiaries	-	-	-	-
To Associates	-	-	-	-
Where there is	-	-	-	-
No Repayment Schedule	-	-	-	-
Repayment Schedule beyond 7 years	-	-	-	-
No Interest	-	-	-	-
Interest below the rate as specified in section 186 of the Companies Act, 2013	-	-	-	-
To Firms/Companies in which directors are interested (Other the (a) and (b) above)	-	-	-	-
Investments by the Loanee in the Shares of Parent Company and Subsidiary Company	-	-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

36.5 Disclosure pursuant to The Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time)["the Master Direction"]

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	**Mar 2024**	**Mar 2023**	**Mar 2024**	**Mar 2023**	**Mar 2024**	**Mar 2023**	**Mar 2024**	**Mar 2023**	**Mar 2024**	**Mar 2023**	**Mar 2024**	**Mar 2023**	**Mar 2024**	**Mar 2023**
Borrowings	15,000.00	13,000.00	-	-	-	-	-	-	-	-		-	15,000.00	13,000.00
Deposits	-	-	-	-	-	-	-	-	-	-		-		-
Placement of deposits	-	-	-	-	-	-	-	-	-	-		-		-
Advances	-	-	-	-	-	-	-	-	-	-		-		-
Investments	-	-	-	-	-	-	-	-	-	-		-		-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-	-	-		-		-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-		-		-
Interest paid	-	-	-	-	-	-	-	-	-	-		-		-
Manappuram Finance Limited	1,961.94	761.03	-	-	-	-	-	-	-	-		-	1,961.94	761.03
Vivriti Capital Limited	-	-	-	-	-	-	-	-	-	-	147.85	89.19	147.85	89.19
Interest received	-	-	-	-	-	-	-	-	-	-	-	-		-
Others	-	-	-	-	-	-	-	-	-	-	-	-		-
Donation (Manappuram Foundation)	-	-	-	-	-	-	-	-	-	-	395.95	379.85	395.95	379.85
Purchase of software (Manappuram Comptech and Consultants Limited)	-	-	-	-	-	-	-	-	-	-	1,191.89	425.16	1,191.89	425.16
Software expense (Manappuram Comptech and Consultants Limited)	-	-	-	-	-	-	-	-	-	-	1,104.56	1,167.14	1,104.56	1,167.14

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

37 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loans from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing ratio :

	As at March 31, 2024	As at March 31, 2023
Borrowings	10,00,690.14	8,42,609.57
Cash and bank balance	(96,254.64)	(54,992.15)
Net debt (A)	**9,04,435.50**	**7,87,617.42**
Equity share capital	20,028.34	6,264.02
Other equity	1,94,881.60	1,48,136.59
Total equity (B)	**2,14,909.94**	**1,54,400.61**
Net debt to equity ratio (A/B)	**4.21**	**5.10**

38 Categories of financial instruments

The carrying value and fair value of the financial instruments by categories are as follows:

	Carrying Value		Fair Value	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a) Financial assets				
Measured at amortised cost				
- Loans	10,29,534.74	8,66,889.56	10,29,534.74	8,66,889.56
- Cash and cash equivalents	96,254.64	54,992.15	96,254.64	54,992.15
- Bank balance other than above	37,196.96	33,678.78	37,196.96	33,678.78
- Other financial assets	13,826.85	12,283.84	13,826.85	12,283.84
- Loan given to staff	153.07	20.12	153.07	20.12
Measured at fair value through OCI				
- Investments	19,493.07	10,201.61	19,493.07	10,201.61
Measured at fair value through Profit or Loss				
- Investments	18,833.06	9,504.72	18,833.06	9,504.72
Hedge accounting				
- Derivative financial instruments	1,356.72	2,629.80	1,356.72	2,629.80
Total	**12,16,649.11**	**9,90,200.57**	**12,16,649.11**	**9,90,200.57**
(b) Financial liabilities :				
Measured at amortised cost				
- Debt securities	61,989.07	1,15,847.95	61,989.07	1,15,847.95
- Borrowings (other than debt security)	8,73,570.67	6,87,360.56	8,73,570.67	6,87,360.56
- Subordinated liabilities	65,130.40	39,401.05	65,130.40	39,401.05
- Trade payables	2,121.53	1,786.82	2,121.53	1,786.82
- Derivative financial instruments	-	-	-	-
- Other financial liabilities	30,677.78	17,413.04	30,677.78	17,413.04
Hedge accounting				
- Derivative financial instruments				
Total	**10,33,489.45**	**8,61,809.42**	**10,33,489.45**	**8,61,809.42**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

The management assessed that fair value of loans, cash and cash equivalents, bank balances, other financial assets, borrowings, trade payables, derivative financial instrument and other financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

39 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the management on a continuous basis.

(a) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(I) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. 'The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The Company provides for expected credit loss based on the following:

Assets covered	Nature	Basis of expected credit loss
Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans and other financial assets	Low credit risk	Life time expected credit loss
Loans	Moderate credit risk	Life time expected credit loss
Loans	High credit risk	Life time expected credit loss

Financial assets that expose the entity to credit risk

Particulars	Nature	Year ended March 31, 2024	Year ended March 31, 2023
Cash and cash equivalents (excluding cash on hand)	Low credit risk	94,911.53	51,795.32
Bank balance other than cash and cash equivalents	Low credit risk	37,196.96	33,678.78
Loans	Low credit risk	9,89,131.65	8,39,065.00
Loans	Moderate credit risk	18,833.33	16,509.55
Loans	High credit risk	21,722.83	11,335.13
Investments	Low credit risk	38,326.13	19,706.33
Other financial assets	Low credit risk	13,826.85	12,283.84

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Other financial assets

Other financial assets measured at amortized cost includes security deposits, receivable on assignment, advances recoverable on behalf of business correspondence arrangements, insurance claim receivables and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

The major guidelines for selection of the client includes:

1. The client's income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India;
2. The client must possess the required KYC documents
3. The client's household must be engaged in some form of economic activity which ensures regular and assured income;
4. Client must agree to follow the rules and regulations of the organisation and
5. Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organisation undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organisation in identifying clients with poor repayment histories and multiple loans

(II) Credit risk exposure

(i) Expected credit losses for financial assets other than loans

The Company have not made expected credit losses for financial assets other than loans and other financial assets mentioned below as the maturity is within twelve months from the balance sheet date.

Particulars	Cash and cash equivalents	Other bank balance	Loan given to staff	Investments	Other financial assets
As at March 31, 2024					
Estimated gross carrying amount	96,254.64	37,196.96	154.06	40,424.29	14,406.50
Less: Expected credit losses	-	-	0.99	2,098.16	579.65
Net carrying amount	**96,254.64**	**37,196.96**	**153.07**	**38,326.13**	**13,826.85**
As at March 31, 2023					
Estimated gross carrying amount	54,992.15	33,678.78	20.13	19,706.33	12,283.84
Less: Expected credit losses	-	-	0.01	-	14.80
Net carrying amount	**54,992.15**	**33,678.78**	**20.12**	**19,706.33**	**12,269.04**

(ii) Movement of carrying amount and expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 01 April 2022	**5,02,773.86**	**64,628.81**	**10,832.18**
Assets originated*	3,85,726.80	(753.81)	58,667.00
Net transfer between stages	-	-	-
Transfer to stage 1	-	(1,011.05)	(92.90)
Transfer to stage 2	(15,179.10)	-	(227.00)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Stage 1	Stage 2	Stage 3
Transfer to stage 3	(26,232.00)	(44,683.74)	-
Assets derecognised or collected (excluding write offs)	(27.00)	(58.81)	(31,077.80)
Write - offs (including death cases)	(1.89)	(0.96)	(11,218.00)
Gross carrying amount as at March 31, 2023	**8,47,060.67**	**18,120.44**	**26,883.48**
Assets originated*	2,09,985.25	17,410.92	37,938.48
Net transfer between stages	-	-	-
Transfer to stage 1	-	(195.76)	(10.96)
Transfer to stage 2	(15,748.20)	-	(22.36)
Transfer to stage 3	(31,585.77)	(2,563.57)	-
Assets derecognised or collected (excluding write offs)	(10,616.40)	(7,497.28)	(9,485.47)
Write - offs (including death cases)	(32.41)	(5,177.20)	(11,291.69)
Gross carrying amount as at March 31, 2024	**9,99,063.14**	**20,097.55**	**44,011.48**

* Assets originated during the year has been presented on net basis i.e. the collections towards fresh loans has been netted off.

(iii) Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance as at 01 April 2022	**7,393.49**	**19,108.86**	**8,872.00**
Increase of provision due to assets originated during the year	(12,641.35)	(30,076.67)	40,741.82
Net transfer between stages	-	-	-
Transfer to stage 1	-	(147.39)	(69.50)
Transfer to stage 2	1,022.27	-	(159.18)
Transfer to stage 3	12,221.59	12,734.74	-
Assets derecognised or collected (excluding write offs)	(0.34)	(8.54)	(24,862.26)
Impact of ECL on exposures transferred between stages during the year	-	-	-
Write - offs (including death cases)	(0.05)	(0.14)	(8,974.44)
Gross carrying amount as at March 31, 2023	**7,995.61**	**1,610.86**	**15,548.44**
Increase of provision due to assets originated during the year	23,292.85	6,881.48	17,535.61
Net transfer between stages			
Transfer to stage 1	-	12.70	4.19
Transfer to stage 2	(834.87)	-	4.31
Transfer to stage 3	(15,306.19)	(997.39)	-
Assets derecognised or collected (excluding write offs)	(5,198.42)	(3,694.97)	(5,087.70)
Impact of ECL on exposures transferred between stages during the year			
Write - offs (including death cases)	(17.49)	(2,548.46)	(5,716.20)
Gross carrying amount as at March 31, 2024	**9,931.49**	**1,264.22**	**22,288.65**

(#) If the probability of default increases or decrease by 10 basis point the expected credit loss will increase or decrease by ₹ 506.05 Lakhs (as at March 31, 2023 ₹ 400.66 Lakhs).

Similarly if the loss given default increases or decrease by 100 basis point the expected credit loss will increase or decrease by ₹ 491.74 Lakhs (as at March 31, 2023 ₹ 336.94 Lakhs).

(III) Concentration of loans (*)

Particulars	As at March 31, 2024	As at March 31, 2023
Micro finance loans	9,65,660.40	8,17,636.80
Micro, small and medium enterprise (MSME)	8,543.82	3,895.78
Gold loans	88,814.88	70,511.89
Total	**10,63,019.10**	**8,92,044.47**

(*) The above figures represents the gross loan value along with interest accrued

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

(b) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Refer Note 42.19 which details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(c) Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, principally because the Company lend to customers at fixed interest rates and for periods that may differ from our funding sources, while the borrowings are at both fixed and variable interest rates for different periods. The Company assess and manage the interest rate risk by managing the assets and liabilities. The Asset Liability Management Committee ensures that all significant mismatches, if any, are being managed appropraitely.

The Company has Board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

Sensitivity

The sensitivity of the statement of profit and loss is the effect of the changes in market interest rates on bank and other borrowings. Below is the sensitivity of profit and loss in interest rates.

Particulars	As at March 31, 2024	As at March 31, 2023
Interest sensitivity*		
Interest rates – increase by 0.50%	3,473.00	2,348.22
Interest rates – decrease by 0.50%	(3,473.00)	(2,348.22)

* Holding all other variables constant

Price Risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

Foreign currency risk

The Company is exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB). The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated 26

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

March 2019 and updated from time to time) which requires entities raising ECB for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure (Principal and Coupon). The Company hedges its entire ECB exposure for the full tenure of the ECB as per Board approved Interest Rate risk, Currency risk hedging policy.

The Company for its ECB, evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs. The Company manages its currency risks by entering into derivatives contracts as hedge positions and the same are being governed through the Board approved Interest rate risk, Currency risk hedging policy.

The Company's exposure of foreign currency risk (Euros) at the end of the reporting period expressed in ₹ are as follows:

Hedged	Impact on profit an loss account	
	As at March 31, 2024	As at March 31, 2023
USD Sensitivity		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-
EURO Sensitivity		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-

Particular	Impact on other comprehensive income	
	As at March 31, 2024	As at March 31, 2023
USD Sensitivity		
Hedging Instrument		
INR/USD - Increase by 1%*	108.40	135.27
INR/USD - Decrease by 1%*	(108.40)	(135.27)
Hedged Item		
INR/USD - Increase by 1%*	(100.05)	(123.33)
INR/USD - Decrease by 1%*	100.05	123.33
EURO Sensitivity		
Hedging Instrument		
INR/USD - Increase by 1%*	-	227.44
INR/USD - Decrease by 1%*	-	(227.44)
Hedged Item		
INR/USD - Increase by 1%*	-	(224.02)
INR/USD - Decrease by 1%*	-	224.02

Unhedged

* represents the notional amount of the derivative financial instrument

Hedging policy

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

40 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on and to the extent of information received by the Company from the suppliers during the year regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars for the years ended March 31, 2024 and March 31, 2023 are furnished below:

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Particulars		As at March 31, 2024	As at March 31, 2023
(a)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(b)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d)	The amount of interest due and payable for the year	-	-
(e)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Note:

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

41 Contingent Liabilities and commitments

Particulars		As at March 31, 2024	As at March 31, 2023
A. Contingent liabilities:			
(a)	Claims against the company not acknowledged as debt;	-	-
(b)	Guarantees excluding financial guarantees; and	-	-
(c)	Other money for which the company is contingently liable [refer (i) below)]	6,907.07	7,079.65
(i)	**Income Tax**		
	- Income Tax (A.Y. 2015-16)	1,124.50	1,124.50
	- Income Tax (A.Y. 2016-17)	1,978.91	1,978.91
	- Income Tax (A.Y. 2017-18)	1,348.79	1,521.37
	- Income Tax (A.Y. 2020-21)	1,953.49	1,953.49
	- Income Tax (A.Y. 2021-22)	501.38	501.38
		6,907.07	**7,079.65**
B. Commitments			
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for:		
	- Other Intangible Assets	-	-
(b)	Uncalled liability on shares and other investments partly paid;	-	-
(c)	Other commitments (specify nature).	-	-
		-	-

A) Income Tax

Income Tax (A.Y. 2015-16)

During the FY 2017-18, the Company has received an Assessment order under Section 143(3) for the AY 2015-16 with a demand of ₹ 1,124.50 lakhs by taxing the receipt of share premium amount received by the Company as unexplained cash credits, expense claimed towards employee stock option scheme and disallowance of depreciation under Section 32 of the Income Tax Act, 1961.

The Company has filed appeals against the above with the Commissioner of Income Tax - Appeals. Based on professional advice, the company strongly believe that case will be decided in their favour and hence no provision has been considered. However in the FY 2017-18 the Company has paid an amount of ₹ 224.90 Lakhs being 20% of the total demand and the same has been disclosed as part of Deposit under protest.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Considering the fact that, the ground of order received for AY 2015-16 is similar to order received for AY 2011-12 and AY 2014-15 for which the Company has received favourable order from CIT(A), the Company expects a favourable order to received for AY 2015-16 also. Further, outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals.

Income Tax (A.Y. 2016-17)

During the FY 2018-19, the Company has received an Assessment order under Section 143(3) for the AY 2016-17 with a demand of ₹ 1,978.91 Lakhs by taxing the receipt of share premium amount received by the Company as unexplained cash credits under Section 56(2)(viib) of the Income Tax Act, 1961.

The Company has filed appeals against the above with the Commissioner of Income Tax - Appeals. Based on professional advice, the company strongly believe that case will be decided in their favour and hence no provision has been considered. However In the FY 2017-18 the Company has paid an amount of ₹ 395.78 Lakhs being 20% of the total demand and the same has been disclosed as part of Deposit under protest

Considering the fact that, the ground of order received for AY 2016-17 is similar to order received for AY 2011-12 and AY 2014-15 for which the Company has received favourable order from CIT(A), the Company expects a favourable order to received for AY 2015-16 also. Further, outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals.

Income Tax (A.Y. 2017-18)

The accounting for securitisation transaction is governed by guidelines issued by the Reserve Bank of India vide its Master Direction on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016. Accordingly company has recorded securitization and assignment transactions during the year. At the time of regular assessment, Assessing Officer disallowed finance cost on above securitization and assignment transactions and added the same to our total income on the ground that company had made true sale of the securitized assets by derecognizing the assets from its financials and therefore there cannot be any loan or associated financial cost and raised demand of ₹ 1,424.27 Lakhs in this regard. Company had received advice from tax counsel to contest the above demand as the company's accounting of transactions is in line with RBI's extent guidelines. In another case relating to disallowance of Demonetized currencies deposited to bank account subsequent to 8th November 2016 and Assesing officer added the same under Income from Other Sources as unexplained money u/s 69A of Income Tax Act on the ground that it is in contravention of SBN Cessation of Liabilities Act 2018 and SC judgement in earlier cases regarding the source of cash and had raised demand of ₹ 97.09 Lakhs in this regard. Company has created a provision to the tune of ₹172.57 lakhs for the same.

Income Tax (A.Y. 2020-21)

During the FY 2022-23, the Company has received an Assessment order under Section 143(3) for the AY 2020-21 with demand of ₹ 2,134.4 Lakhs by disallowing expenses and ICDS adjustment aggregating to the tune of ₹ 8,511.87 Lakhs under section 41, 43B, 36(1)(va) and 36(1)(viia) w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and ICDS Adjustments.

The Company has filed appeal against the demand with the Commissioner of Income Tax - Appeals. Based on the professional advice, the company strongly believe that majority of the disallowance will be decided in their favour and hence no provision has been considered except in case of bonus and ICDS Adjustments for which provision of ₹ 180.90 lakhs is considered in the books of accounts.

Income Tax (A.Y. 2021-22)

During the FY 2022-23, the Company has received an Assessment order under Section 143(1) for the AY 2021-22 with demand of ₹ 557.4 Lakhs by disallowing expenses and recovery of bad and doubtful debts aggregating to the tune of ₹ 1,560.6 Lakhs under section 43B, 36(1)(va) and 41 w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and recovery of bad and doubtful debts etc.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Vide order dated 27.12.2023, the CIT-Appeals has disposed the appeal. However, in the said order, CIT Appeals has only disposed the matters relating to payment u/s 43B (bonus, leave encashment, gratuity) and delayed payment of PF/ESI. The matter relating to addition u/s 41 has not been disposed off in the order. The Company has filed appeal against the above with the Commissioner of Income Tax - Appeals.Based on professional advice, the company strongly believe that majority of the disallowance and deemed income will be decided in their favour and hence no provision has been considered except for disallowance w.r.t bonus and gratuity u/s 43B for which provision amounting ₹55.98 Lakhs is considered in the books of accounts.

42 Disclosure Pursuant to Reserve Bank of India Notification DNBR (PD) CC No. 002/03.10.001/2014-15 dt. 10 November 2014

42.1 Details of registration with financial regulators

Regulator	Registration No.
Ministry of Company Affairs	CIN:U65923TN2007PLC064550
Reserve Bank of India	N-07-00769 dated 4 October 2013

42.2 Disclosure of penalties imposed by RBI and other regulators

There are no penalty imposed by Reserve Bank of India and other regulators for the year ended March 31 , 2024, March 31, 2023, except for the folloiwng:

For the Year Ended 31 March, 2023

Regulator	Reason	Amount (In Rupees)
SEBI	Fine for ISIN- INE516Q07309 under Regulation 60(2)	11,800.00
SEBI	Fine for ISIN- INE516Q08364 under Regulation 57(1)	3,540.00

42.3 Related party transactions

Details of all material related party transactions are disclosed in Note 36.

42.4 Remuneration of directors (other than Managing Director)

Details of commission payable to directors (other than managing director) are disclosed in Note 36.

42.5 Concentration of advances, exposures and NPA's

The Company operates in the business of microfinance providing collateral free loans for fixed amounts ranging from ₹ 10,000 to ₹ 1,00,000 to women engaged in various income generating activities. As at March 31,2024, the company has provided loans to more than 39.11 lakhs women and hence, the disclosure relating to concentration to advances, exposures and NPA's are not applicable to the Company.

42.6 Ratings assigned by credit rating agencies

Particulars	Amount Rated (In Lakhs)*	Year ended March 31, 2024	Year ended March 31, 2023
Commercial paper	40,000	Crisil A1+	Crisil A1+
Bank Loan Facilities	8,00,000	Crisil AA-/Stable	Crisil AA-/Stable
Long Term Bank Facilities	1,50,000	Care AA- /Stable	NA
Long term Non-Convertible Debentures	53,700	Crisil AA-/Stable	Crisil AA-/Stable
MFI Grading	NA	CARE MFI-1	CARE MFI-1
Subordinated Debt	91,000	Crisil AA-/Stable	Crisil AA-/Stable
COCA report	NA	CARE C1	M1C1-SMERA
Market Linked Debentures	52,550	Crisil PPMLD AA-/Stable	Crisil PPMLD AA-/Stable

*Amount rated is as on March 31, 2024.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

42.7 Sector-wise NPAs:

	As at March 31, 2024	As at March 31, 2023
Agriculture & allied activities	3.63%	2.34%
MSME	6.09%	3.73%
Corporate borrowers	NA	NA
Services	8.02%	7.33%
Unsecured personal loans	14.67%	23.15%
Auto loans (commercial vehicles)	NA	NA
Other loans	1.72%	2.81%

42.8 Provisions and Contingencies (shown under the head Expenditure in Statement of Profit and Loss)

	Year ended March 31, 2024	Year ended March 31, 2023
Provision for income tax (excluding deferred tax)	19,448.50	6,318.30
Provision towards standard assets	2,214.01	(16,881.74)
Provision towards non performing assets	44,158.94	44,250.17
Provision and contingencies on gratuity	576.24	667.52
Provision towards compensated absences	186.74	(151.71)
Provision for insurance claim receivable	(82.67)	(176.24)
Provision for Receivable from Resigned Staff	2,614.55	14.80
	69,116.31	**34,041.10**

42.9 Movement of NPAs

	Year ened March 31, 2024	Year ended March 31, 2023
Net NPAs to net advances (%)	1.71%	1.15%
Movement of NPAs (Gross)		
(a) Opening balance	25,190.64	9,607.96
(b) Additions during the year	64,143.83	66,315.12
(c) Reductions during the year	(49,019.03)	(50,732.44)
(d) Closing balance	**40,315.44**	**25,190.64**
Movement of Net NPAs		
(a) Opening balance	10,111.20	1,711.08
(b) Additions during the year	22,256.52	22,064.95
(c) Reductions during the year	(14,321.96)	(13,664.83)
(d) Closing balance	**18,045.76**	**10,111.20**
Movement of provisions for receivables under financing activities		
(a) Opening balance	15,079.44	7,896.88
(b) Provisions made during the year	41,887.31	44,250.17
(c) Write-off / write-back of excess provisions	(34,697.07)	(37,067.61)
(d) Closing balance	**22,269.68**	**15,079.44**

42.10 Overseas assets (for those with Joint ventures and Subsidiaries abroad)

The Company did not have any overseas assets during the current and previous year.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

42.11 Off-balance sheet SPVs sponsored

The Company did not sponsor any SPVs during the current and previous year.

42.12 During the year there are no instances of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeding the sanctioned limit or outstanding or entire outstanding whichever is higher.

During the year company has not given any advances with intangible collateral such as charge over the rights, licenses, authority etc.

42.13 Investments

	Year ened March 31, 2024	Year ended March 31, 2023
Value of Investments		
(i) Gross Value of Investments		
(a) In India	40,424.13	19,706.33
(b) Outside India	-	
(ii) Provisions for Depreciation / Impairment		
(a) In India	2,098.00	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	38,326.13	19,706.33
(b) Outside India	-	-
Movement of provisions held towards depreciation / impairment on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	2,098.00	-
(iii) Less : Write-off / write-back of excess	-	-
(iv) Closing balance	2,098.00	-

42.14 Derivatives:

	Year ened March 31, 2024	Year ended March 31, 2023
Cross Currency Interest Rate Swap		
The notional principal of swap agreements	10,004.88	34,734.55
(Gains)/losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	1,356.72	2,629.80
Collateral required by the NBFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book	1,356.72	2,629.80

Quantitative disclosures

Particulars	Year ened March 31, 2024	Year ended March 31, 2023
Derivatives (notional principal amount)		
For hedging	10,004.88	34,734.55
Marked to market positions		
a) Asset (+)	1,356.72	2,629.80
b) Liability (-)	-	-
Credit exposure	-	-
Unhedged exposure	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Qualitative disclosure

During the year ended March 31, 2024 and March 31, 2023 the Company has an existing derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS). Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in the Statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of profit and loss depends on the nature of the hedge relationship. During the year ended March 31, 2024 and March 31, 2023 the Company has designated derivatives as cash flow hedges of a recognised liability and has no fair value hedges. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk Management objective and strategy for undertaking the hedge. The documentation includes the Company's risk Management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

During the year ended March 31, 2024 and March 31, 2023 hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

42.15 Capital Adequacy Ratio

	As at March 31, 2024			As at March 31, 2023		
	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio
(a) Capital to risk-weighted assets ratio (CRAR)	2,47,394.59	10,85,586.41	22.79%	1,80,845.97	9,03,050.36	20.03%
(b) Tier I CRAR	1,99,722.36	10,85,586.41	18.40%	1,40,698.92	9,03,050.36	15.58%
(c) Tier II CRAR	47,672.23	10,85,586.41	4.39%	40,147.05	9,03,050.36	4.45%
(d) Liquidity Coverage Ratio	57,464.73	27,997.25	205.25%	65,441.01	28,414.53	230.31%

42.16 Details of financing of parent company products

The Company does not finance any parent company's products and accordingly disclosures is not required.

42.17 Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC

There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

42.18 Unsecured Advances

Refer note 7(a)

42.19 Asset Liability Management

(a) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2024: *

Particulars	1 to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks & NBFCs	3,759.41	12,065.54	23,312.31	41,675.28	46,974.88	1,35,908.77	2,30,801.37	3,23,102.49	15,823.00	1,200.00	8,34,623.05
Market Borrowings	-	-	-	8,000.00	-	40,850.00	6,868.17	11,014.41	28,000.00	25,000.00	1,19,732.58
Securitisation	-	-	21,569.14	21,263.42	21,142.55	53,489.65	32,229.76	15,757.27	-	-	1,65,451.79
Cash Credit & Others	600.00	-	-	-	-	-	1,149.59	-	-	-	1,749.59
Total	**4,359.41**	**12,065.54**	**44,881.45**	**70,938.70**	**68,117.43**	**2,30,248.42**	**2,71,048.89**	**3,49,874.17**	**43,823.00**	**26,200.00**	**11,21,557.01**
Assets											
Advances	12,389.69	12,389.69	28,319.28	59,421.55	53,978.68	2,09,207.47	5,28,143.04	2,48,565.73	629.28	75.89	11,53,120.30
Investments	19,487.32	-	-	-	-	-	-	-	-	18,838.81	38,326.13
Total	**31,877.01**	**12,389.69**	**28,319.28**	**59,421.55**	**53,978.68**	**2,09,207.47**	**5,28,143.04**	**2,48,565.73**	**629.28**	**18,914.70**	**11,91,446.43**

* Numbers appearing in the ALM table is extracted from DNBS-4 filed with the RBI by the company for the month of March 2024.

(b) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2023:

Particulars	1 to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks & NBFCs	3,273.69	8,542.14	10,928.04	20,693.27	52,551.63	1,10,615.24	1,45,330.94	2,68,855.65	12,446.00	-	6,33,236.60
Market Borrowings	-	3,840.00	8,333.33	4,500.00	16,560.00	650.00	15,586.67	60,716.67	20,500.00	17,500.00	1,48,186.67
Securitisation	-	6,170.66	9,220.03	13,984.80	25,117.81	25,697.04	13,852.92	59,913.70	-	-	1,53,956.96
Total	**3,273.69**	**18,552.80**	**28,481.40**	**39,178.07**	**94,229.44**	**1,36,962.28**	**1,74,770.53**	**3,89,486.02**	**32,946.00**	**17,500.00**	**9,35,380.23**
Assets											
Advances	11,327.37	11,327.37	25,891.13	59,361.11	63,725.22	1,96,449.13	3,05,986.27	3,05,446.67	380.30	14.99	9,79,909.56
Investments	-	-	-	-	-	-	-	-	-	19,706.33	19,706.33
Total	**11,327.37**	**11,327.37**	**25,891.13**	**59,361.11**	**63,725.22**	**1,96,449.13**	**3,05,986.27**	**3,05,446.67**	**380.30**	**19,721.32**	**9,99,615.89**

42.20 Draw down from reserves - Disclosure as per RBI/2014-15/299 DNBR (PD) CC.No.002/03.10.001/2014-15 November 10, 2014

There are no drawdown reserves from statutory reserves during the year ended March 31,2024.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

43 Additional disclosure pursuant to paragraph 53 of Resolution Framework for COVID-19-related Stress- RBI/2020-21/16- DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 read with Resolution framework 2.0 - RBI/2021-22/31 DOR.STR.RCEC.11/21.04.048/2021-22 dated May 05, 2021

For the year ended March 31, 2024

Serial Number	Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of previous half year i.e. September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half year	Of (A), amount written off during the half year	Of (A), amount paid by borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of this half year
1	MSME loans	111.96	6.63	-	18.38	93.58
2	Others	259.62	58.28	1.99	74.04	183.60
	Total	**371.58**	**64.91**	**1.99**	**92.42**	**277.18**

For the year ended March 31, 2023

Serial Number	Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of previous half year i.e. September 30, 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half year	Of (A), amount written off during the half year	Of (A), amount paid by borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of this half year
1	MSME loans	162.76	80.75	-	16.75	146.01
2	Others	48,351.31	38,205.37	8,642.94	8,304.57	15,973.39
	Total	**48,514.07**	**38,286.12**	**8,642.94**	**8,321.32**	**16,119.40**

44 Disclosure pursuant to The Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time)["the Master Direction"]

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

Particulars	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
As at March 31, 2024	28	8,76,934.69	Not Applicable	84.63%
As at March 31, 2023	31	7,15,707.40	Not Applicable	82.76%

Notes:

A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 1% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

(ii) Top 20 large deposits (amount in Millions and % of total deposits) - Not applicable

(iii) Top 10 borrowings

	As at March 31, 2024		As at March 31, 2023	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Top 10 borrowings	5,14,982.66	49.70%	2,76,326.54	31.95%

(iv) Funding concentration based on significant instrument / product

Name of the instrument/product	As at March 31, 2024		As at March 31, 2023	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Borrowings (other than Debt securities)	8,73,570.67	84.31%	6,87,360.56	79.49%
Debt securities	61,989.07	5.98%	1,15,847.95	13.40%
Subordinated liabilities	65,130.40	6.29%	39,401.05	4.56%

Notes:

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(v) Stock Ratio

	As at March 31, 2024	As at March 31, 2023
Commercial papers as a % of total liabilities	0.00%	0.00%
Commercial papers as a % of total assets	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	3.31%	2.44%
Other short-term liabilities as a % of total assets	2.74%	2.07%

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. 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 and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

45 Disclosure pursuant to The Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time)["the Master Direction"].

S.No	Particulars	As at March 31, 2024		As at March 31, 2023	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities:				
1	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**				
(a)	Debentures				
	- Secured	60,824.87	-	1,07,075.54	-
	- Unsecured	66,294.60	-	48,173.47	-
	(other than falling within the meaning of public deposits)				
(b)	Deferred credits				
(c)	Term loans				
	- Secured	8,35,377.64	-	6,28,701.67	-
	- Unsecured	1,997.08	-	15,789.87	-
(d)	Inter-corporate loans and borrowings		-	-	-
(e)	Commercial paper	-	-	-	-
(f)	Finance lease obligations		-	-	-
(g)	Associated liabilities in respect of securitization transactions		-	-	-
(h)	Cash credits		-	-	-

S.No	Particulars	Amount Outstanding	
		As at March 31, 2024	As at March 31, 2023
	Assets:		
2	**Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below] :**		
	(a) Secured	97,358.70	74,262.26
	(b) Unsecured	9,65,660.40	8,17,782.20
3	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
(i)	Lease assets including lease rentals accrued and due:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
4	**Break-up of Investments**		
	Current Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

S.No	Particulars	Amount Outstanding	
		As at March 31, 2024	As at March 31, 2023
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
	Long Term Investments		
I	**Quoted:**		
(i)	Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	19,487.32	10,195.96
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	5.75	5.65
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
(v)	Investment in Pass Through Certificates	-	-
(vi)	Investment in Pass Through Certificates	-	-
(vii)	Investment in Equity Tranche	453.80	-
(viii)	Others (Security Receipts)	18,379.26	9,504.72

5 Borrower Group-wise Classification of Assets Financed as in (2) and (3) above

S. No	Category	As at March 31, 2024 (Net of Provisions)			As at March 31, 2023 (Net of Provisions)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
2	Other than related parties	96,870.49	9,32,664.25	10,29,534.74	73,881.23	7,93,008.33	8,66,889.56
		96,870.49	**9,32,664.25**	**10,29,534.74**	**73,881.23**	**7,93,008.33**	**8,66,889.56**

Note: The amount of Assets financed represents the net owned portfolio outstanding after adjusting the provisions for standard, substandard and doubtful assets.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

6 Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :

S. No	Category	As at March 31, 2024		As at March 31, 2023	
		Market Value/ Break up Value or Fair Value or Net Asset Value	Book Value	Market Value/ Break up Value or Fair Value or Net Asset Value	Book Value
1	Related parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	38,326.13	38,326.13	19,706.33	19,706.33
		38,326.13	**38,326.13**	**19,706.33**	**19,706.33**

7 Other Information

S. No	Category	As at March 31, 2024		As at March 31, 2023	
		Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i)	Gross non-performing assets	-	40,315.44	-	25,190.64
(ii)	Net non-performing assets	-	18,045.76	-	10,111.20
(iii)	Assets acquired in satisfaction of debt	-	-	-	-

46 High Quality Liquid Assets Disclosure pursuant to The Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time)["the Master Direction"]

Particulars	As at June 30, 2023		As at September 30, 2023		As at December 31, 2023		As at March 31, 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
Cash and bank balances	56,340.28	56,340.28	60,565.40	60,565.40	10,690.30	10,690.30	37,977.41	37,977.41
Unencumbered fixed deposits	19,583.57	19,583.57	56,049.93	56,049.93	44,254.09	44,254.09	-	-
Investment in G sec	10,633.03	10,633.03	10,273.97	10,273.97	19,361.89	19,361.89	19,487.32	19,487.32
	86,556.88	**86,556.88**	**1,26,889.30**	**1,26,889.30**	**74,306.28**	**74,306.28**	**57,464.73**	**57,464.73**
Cash Outflows								
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	-	-	-	-	-	-	-	-
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
Outflows related to loss of funding of debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	67,466.38	77,586.33	71,073.68	81,734.73	86,723.46	99,731.98	97,381.74	1,11,989.00
Other contingent funding obligations	-	-	-	-	-	-	-	-
	67,466.38	**77,586.33**	**71,073.68**	**81,734.73**	**86,723.46**	**99,731.98**	**97,381.74**	**1,11,989.00**
Cash Inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing exposures	-	-	-	-	-	-	-	-
Other cash inflows	62,325.59	46,744.19	33,252.43	24,939.32	78,746.74	59,060.05	1,75,363.38	1,31,522.54
	62,325.59	**46,744.19**	**33,252.43**	**24,939.32**	**78,746.74**	**59,060.05**	**1,75,363.38**	**1,31,522.54**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

Liquidity coverage ratio

Particulars	As at June 30, 2023	As at September 30, 2023	As at December 31, 2023	As at March 31, 2024
Total high quality liquid assets (a)	86,556.88	1,26,889.30	74,306.28	57,464.73
Total net cash outflows (b)	30,842.14	56,795.40	40,671.92	27,997.25
Liquidity coverage ratio (a)/(b)	**280.64%**	**223.41%**	**182.70%**	**205.25%**

The inflows and outflows for the three months period June 30, 2023, September 30, 2023, December 31, 2023 and March 31, 2024 have been extracted from the form DNBS 4 filed by the company with Reserve bank of India.

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024). The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the year ended March 31, 2024 was 202.25% which is above the regulatory requirement.

47 RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated on September 29, 2016

(a) For the year ended FY 2023-24

Category	More than ₹ 1 Lakh		Less than ₹ 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/misappropriation of cash				
- By Employees	129	2,013.47	-	-
- By Others	2	2.24	22	11.08
Total	**131**	**2,015.71**	**22**	**11.08**

(b) For the year ended FY 2022-23

Category	More than ₹ 1 Lakh		Less than ₹ 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/misappropriation of cash				
- By Employees	66	1,015.60	-	-
- By Others	-	-	3	1.37
Total	**66**	**1,015.60**	**3**	**1.37**

Note: The above summary is prepared based on the information available with the Company and relied upon by the Auditors.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

47.1 Disclosure pursuant to The Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time)["the Master Direction"].

	Year ened March 31, 2024	Year ended March 31, 2023
Net Interest Margin during the Year:		
Average Interest (a)	25.00%	24.16%
Average effective cost for borrowing Interest (b)	10.33%	10.10%
Net Interest Margin (a-b)	**14.67%**	**14.06%**

The Average interest represents the effective rate at which loans have been disbursed to the customers for the years ended March 31, 2024, March 31, 2023.

The Average interest cost of borrowings of the Company for the years ended March 31, 2024, March 31, 2023 have been computed based on the monthly interest cost divided by the average monthly balances of outstanding borrowings. The Average cost of borrowings include the following :

a) Upfront processing fees paid by the Company for availing loans.

b) Interest loss on fixed deposits placed as collateral, being difference between rate of interest on fixed deposit and the interest rate on the borrowings.

47.2 Undisclosed income

There are no transactions not recorded in the books of accounts.

48 Corporate Social Responsibility (CSR)

For the year ended March, 2024

During the year, the Company incurred an aggregate amount of ₹395.95 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As at March 31, 2024		
	Projects related to FY 2023-24	Projects related to FY 2022-23	Projects related to FY 2021-22
(a) Gross amount required to be spent by the company during the year as per Sec 135 of Companies Act, 2013	241.63	40.57	135.48
(b) Excess Amount spent in previous year	-	-	-
(c) Gross amount required to be spent by the company during the year after adjustment, if any (a)-(b)	241.63	40.57	135.48
(d) Amount spent during the period ended March 31, 2024:	241.63	40.57	113.75
i) Construction / acquisition of any asset	130.93	40.57	113.75
ii) On purposes other than (i) above	110.70	-	-
(e) Unspent Amount as on March 31, 2024 (c)-(d)	-	-	21.73
(f) Excess Amount spent as on March 31, 2024	-	-	-
(g) Surplus generated for CSR fund during previous year	NA	NA	NA
(h) Amount Transferred to CSR Unspent account as on March 31, 2024	NA	NA	NA
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2024	NA	-	21.73
(j) Reason for shortfall	NA	NA	Fund is allocated for ongoing Projects
(k) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.			
i) Trust Name	**Manappuram Foundation**	**Manappuram Foundation**	**Manappuram Foundation**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2024		
	Projects related to FY 2023-24	Projects related to FY 2022-23	Projects related to FY 2021-22
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promoting education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/preventive healthcare d) Promotion of Health care and Women empowerment "	a) Promoting education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/preventive healthcare d) Eradicating hunger, poverty and malnutrition e) Promotion of Health care and Women empowerment f) Facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; g) Disaster management, including relief, rehabilitation and reconstruction activities i) Preventive Healthcare and Sanitation"	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group. c) Promotion of Health care and Women empowerment d) Eradicating hunger, poverty and malnutrition e) Promotion of Healthcare/preventive healthcare"

For the year ended 31st March 2023

During the year, the Company incurred an aggregate amount of ₹377.54 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As at the year ended March 31, 2023	
	Projects related to FY 2022-23	Projects related to FY 2021-22
(a) Gross amount required to be spent by the company during the year as per Sec 135 of Companies Act, 2013	241.29	312.29
(b) Excess Amount spent in previous year	-	-
(c) Gross amount required to be spent by the company during the year after adjustment, if any (a)-(b)	241.29	312.29
(d) Amount spent during the year as on March 31, 2023	200.72	176.81
i) Construction / acquisition of any asset	120.34	173.65
ii) On purposes other than (i) above	80.39	3.17
(e) Unspent Amount as on March 31, 2023 (c)-(d)	40.57	135.48
(f) Excess Amount spent as on June 30, 2022	-	-
(g) Surplus generated for CSR fund during previous year	1.56	-
(h) Amount Transferred to CSR Unspent account as on March 31, 2023	40.57	NA
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2023	40.57	135.48

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

Particulars		As at the year ended March 31, 2023	
		Projects related to FY 2022-23	Projects related to FY 2021-22
(j)	Reason for shortfall	Fund is allocated for ongoing Projects	Fund is allocated for ongoing Projects
(k)	Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.		
	i) Trust Name	**Manappuram Foundation**	**Manappuram Foundation**
	(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promoting education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/preventive healthcare d) Eradicating hunger, poverty and malnutrition e) Promotion of Health care and Women empowerment f) Facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; g) Disaster management, including relief, rehabilitation and reconstruction activities i) Preventive Healthcare and Sanitation"	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/preventive healthcare d) Eradicating hunger, poverty and malnutrition e) Promotion of Health care and Women empowerment"

49 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the years ended March 31, 2024, March 31, 2023.

50 Statutory Reserve

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at a rate of 20% of the net profit after tax of the Company every year. Considering the Profit after tax for the year ended March 31, 2024, ₹ 9,166.07 Lakhs (the year ended March 31, 2023, ₹ 4,468.58 Lakhs) is transferred to the statutory reserve as required under Section 45-IC of Reserve Bank of India (RBI) Act, 1934.

51 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Notional expressed in INR	Maturity date	Changes in fair value of hedging instrument Assets	Changes in fair value of hedging instrument Liability	Line item in Balance Sheet
Cash flow hedge					
Foreign exchange forward contracts (Cross currency interest rate swaps) (USD)					
For the year ended March 31 2024	10,004.88		1,356.72	-	Derivative financial instruments
For the year ended March 31 2023	12,332.55		1,745.55	-	Derivative financial instruments
Foreign exchange forward contracts (Cross currency interest rate swaps) (EURO)					
For the year ended March 31 2024	-		-	-	Derivative financial instruments
For the year ended March 31 2023	22,402.00		884.25	-	Derivative financial instruments

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

b) Disclosure of effects of hedge accounting on financial performance

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange forward contracts (Cross currency interest rate swaps)				
For the year ended March 31 2024	(1,273.08)	-	(861.57)	Finance Cost
For the year ended March 31 2023	2,498.37	-	2,198.40	Finance Cost

Hedged Item

ECB Loans	As at March 31, 2024	As at March 31, 2023
Change in the value of hedged item used as the basis for recognising hedge in effectiveness	(1,112.87)	(1,974.44)
Cash flow hedge reserve as at*	243.85	655.37
Hedging gains or losses recognised in other comprehensive income	(411.51)	299.97

The hedge ineffective portion is acconted for as Finance Cost under the profit and loss account

* Figures are gross of tax

52 Employee Stock Option Scheme (ESOS), 2019

(a) The details of the Employee Stock Option Scheme 2019 are as under:

Date of share holders' approval	02-Feb-19
Number of options approved	8,30,000
Date of grant	July 1, 2019
Number of options granted upto June 30, 2023	8,30,000
Method of settlement	Equity
Graded Vesting	30% after two years from the date of grant i.e. July 1, 2021 and 35% after three years from the date of grant i.e July 1,2022 and the balance 35% after four year from the date of grant i.e. July 1, 2023
Exercisable period	1 year from graded vesting date
Vesting conditions	Continuous employment /service as on relevant date of vesting and pre-determined performance parameters, if any

The Company has adopted the Employee Stock Option Scheme framed in accordance with the Section 62(1)(c) of the Companies Act 2013 read with Rules 12 of the Companies (Share Capital and Debenture) Rules, 2014 made thereunder.

The Company has granted 830,000 options at an exercise price of ₹ 364/- on July 1,2019 which will vest over a period of four years from the grant date (30% after two years from the date of grant i.e. July 1, 2021 and 35% after three years from the date of grant i.e July 1,2022 and the balance 35% after four years from the date of grant i.e. July 1, 2023. The exercise period commences from the date of vesting and will expire not later than one year from the date of vesting.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

(b) The summary of the movements in options is given below:

	As at March 31, 2024	As at March 31, 2023
Options outstanding, beginning of year	64,750	2,42,500
Options granted during the year	-	-
Increase on account of Bonus issue	-	-
Lapsed Options restored during the year	-	-
Options lapsed during the year period ended	18,375	1,25,250
Options lapsed during the year due to end of exercise period for tranche	28,875	52,500
Options Expired during the year	-	-
Options Exercised during the year	-	-
Options vested and Outstanding at the end of the year	**17,500**	**64,750**
Options outstanding at the year end comprise of :		
- Options eligible for exercise at the end of the year	17,500	32,375
- Options not eligible for exercise at the end of the year		32,375
	17,500	**64,750**

In accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the compensation cost for ESOS 2019 was required to be recognised based on the fair value on the date of grant i.e. in FY 2019-20. The Company has rectified the prior period error by giving retrospective effect of ESOP expenses and tax impact in the opening reserves of FY 2022-23, thereby providing reliable and more relevant information about the Company's financial position. The imapct of such change is as follows:

Financial line item	increase / (decrease)
	As at and for the year ended March 31, 2022
ESOP expense	143.96
Deferred Tax	36.24
Earnings per share (in ₹) (Face value of ₹10 per equity share)	
- Basic	(0.07)
- Diluted	(0.07)

Expenses recognised in the Profit and loss accounts for the year ended March 31, 2024, is ₹ 0.64 in Lakhs (for the year ended March 31, 2023 ₹ (21.02) in Lakhs)

Tax impact for year March 31, 2024 is ₹ (0.16) in Lakhs (for the year ended March 31, 2023 ₹ 5.29 in Lakhs)

(d) The fair value of options estimated at the date of grant using the Black-Scholes method and the assumptions used are as under

Grant Date	01-Jul-2019
Option Price Model	Black Scholes Method
Exercise Price	364
Share Price on Grant Date	239.37
Expected Volatility	0.5
Expected time to exercise shares	1 Year after Vesting i.e. last possible exercise date
Risk-free rate of return	6.61% - 7.00%
Dividend Yield	0
Fair Value of ESOP at Grant Date	63.24 - 96.7
Weighted Average Fair Value of ESOP at Grant Date	81.1845
Method used to determine expected volatility	The expected volatility is based on price volatility of similar NBFC Listed company.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

53 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Receivables considered good - Secured		
(b) Receivables considered good - Unsecured;	78.83	600.78
(c) Receivables which have significant increase in Credit Risk		
(d) Receivables - credit impaired		
Gross	78.83	600.78
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net	**78.83**	**600.78**

Trade receivables ageing
As at March 31, 2024

	Outstanding for following periods from due date of payment					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 Years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables — considered good	78.81	0.02	-	-	-	78.83
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

As at March 31, 2023

	Outstanding for following periods from due date of payment					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 Years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables — considered good	525.18	75.60	-	-	-	600.78
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on trade receivables.

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

54 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	113.12	80.23
Total	**113.12**	**80.23**

Ageing as at March 31, 2024

	Outstanding for following periods from due date of payment				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME					-
(ii) Others	87.70	25.34	0.08	-	113.12
(iii) Disputed dues - MSME					-
(iv) Disputed dues - Others					-

Ageing as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	-	-	-	-
(ii) Others	79.86	0.37			80.23
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

55 Capital-Work-in-Progress (CWIP) and Intangible assets under development ageing as on March 31, 2024

A

Particulars	Out standing for the followinng periods from the due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Capital-Work-in Progress (CWIP)	-	-	-	-	-
Intangible assets under development	-	-	-	-	-

B For Capital work in progress and Intangible assets under development, there is no transaction whose completion is overdue or has exceeded its cost compared to its original plan.

56 Details of Benami Property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2024 and March 31, 2023.

57 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2024 and March 31, 2023.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

58 Relationship with Struck off Companies

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024, March 31, 2023 are given below:

Name of the struck off company	Balance outstanding as at	
	As at March 31, 2024	As at March 31, 2023
Receivables (Loans outstanding)	-	-
Payables (Borrowings outstanding)	-	-
Payables (Trade Creditors)	-	-
Shares held by struck off company	-	-

	For the year ended	
	As at March 31, 2024	As at March 31, 2023
Value transactions conducted with the above Trade Creditor, being the company whose name has been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.	-	-

In the financial year ended March 31, 2024 and financial year ended March 31, 2023 the Company has not conducted any transaction with Struck off companies.

59 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2024, Except for few instances where delay was due to technical issues in MCA site . For these cases, charges were created with in the extended timeline given by MCA.

60 Compliance with number of layers of companies

Not Applicable

61 Utilisation of Borrowed funds and share premium

During the year ended 31st March 2024, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend 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;

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend 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;

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

62 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2024 and March 31, 2023.

63 Details of loans transferred / acquired during the year ended March 31, 2024 and March 31, 2023, under RBI Master Direction on Transfer of Loan Exposure dated September 24, 2021.

(a) Details of stressed loans transferred and investment made in Security Receipts to ARCs:

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
(i)	No of Accounts	1,24,545.00	2,75,093.00
(ii)	Aggregate principal outstanding of loans transferred	29,525.87	32,210.00
(iii)	Weighted average residual tenure of the loans transferred (Months)	9.49	5.63
(iv)	Net book value of loans transferred (At the time of transfer)	16,360.48	10,594.00
(v)	Aggregate consideration	14,645.00	10,630.00
(vi)	Additional consideration realised in respect of accounts transferred in earlier years	-	-
(vii)	Investment in Security Reciepts (SR)	12,669.05	9,243.00

(b) The Company has not acquired any loans through assignment.

(c) The Company has not acquired any stress loans

64 Pursuant to the requirements of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors, during the year, the Company has carried out restatement of the comparative financial information and the impact of such restatement on the financial statement for the year ended 31 March 2023, and reporting periods beginning 01 April 2022 is as follows:

Financial line item	Increase / (Decrease)		
	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023	As at April 01, 2022
Employee benefit expenses	0.64	(21.02)	NA
Tax Expense	(0.16)	(508.79)	NA
Other comprehensive income	180.92	(175.70)	NA
Total comprehensive Income / (Loss)	180.44	(1,235.34)	NA
Investments	(241.77)	(659.14)*	(277.10)
Derivative financial instruments	-	(142.67)	(142.67)
Deferred tax assets (net)	51.64	666.97	116.55
Other Equity	190.13	12.45	(303.22)
Earnings per equity share (Face Value of ₹ 10/- per share)			
- Basic (₹)	(0.00)	(0.30)**	NA
- Diluted (₹)	(0.00)	(0.30)**	NA

* Includes accrued interest on G-Sec amounting to ₹ 147.25 lakhs which was reclassified to Other financial assets

** The Restated earnings per share (EPS) has been calculated after considering the impact of bonus shares (2:1) issued by the Company during the current financial year.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

65 Disclosure pursuant to The Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time)["the Master Direction"].

65.1 Exposure to Real Estate Sector

Particulars	As at March 31, 2024	As at March 31, 2023
Category		
Direct exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	3,572.78	3,660.77
(ii) Commercial Real Estate -		
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 shall also include non-fund based limits	12.72	87.43
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	**3,585.50**	**3,748.20**

65.2 Exposure to capital market

The Company does not have any exposure to Capital market as at March 31, 2024 and March 31, 2023.

65.3 Customer complaints

Particulars	As at March 31, 2024	As at March 31, 2023
Complaints received by the NBFC from its customers		
1. No. of complaints pending as at beginning of the year	123	859
2. No. of complaints received during the year	2,246	3,693
3. No. of complaints disposed during the year	2,283	4,429
Of which, number of complaints rejected by the NBFC	204	410
4. No. of complaints pending as at end of the year	86	123
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	NIL	NIL
Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NIL	NIL
Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	NIL	NIL
Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NIL	NIL
Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024

(All amounts in ₹ lakhs unless otherwise stated)

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 previous, number of complaints pending beyond 30 days
		For the year ended March 31, 2024			
Insurance related	69	768	-55.30%	34	19
Collection related	38	894	-6.29%	26	9
Loan Related	5	163	-64.57%	12	2
Staff Related	-	124	-42.33%	1	-
CIBIL related	-	147	NA	12	-
Others	11	150	-16.20%	1	-
Total	**123**	**2,246**		**86**	**30**
		For the year ended March 31, 2023			
Insurance Related	508	1,718	35.49%	69	40
Collection Related	197	954	-1.75%	38	16
Loan Related	35	460	-17.56%	5	4
Staff Related	12	215	2.87%	-	-
Service Related	79	167	NA	-	-
Others	28	179	-19.00%	11	2
Total	**859**	**3,693**		**123**	**62**

*There were some errors in the data extracted by the company during the annual closing, and same set of data was used by the Company for RBI reporting in the respective years. However, during the year ended as on March 31, 2024, some errors were identified and rectified by the Company.

Table showing number of complaints reported in previous year vis-à-vis the rectified / restated numbers

Particulars	Previous Year Reported Numbers	Restated Number
No. of complaints pending as on March 31, 2022	1144	859
No. of complaints received during the period	3507	3693
No. of complaint disposed during the period	4532	4429
No. of complaint rejected during the period	NIL	410
No. of complaints pending as on March 31, 2023	119	123

65.4 Intra Group Exposures

There is no Intra group exposures for the company

65.5 Instances of breach of covenant of loan availed or debt securities issued

The Company has been regular in serving all its borrowings though there has been breach of some of the covenants relating to borrowings.Given the large scale Covid-19 induced disruptions, many of the borrowers across the microfinance industry were unable to service their loans on-time resulting in significantly elevated PAR, GNPA, NPA etc., The company was not immune to this industry trend and witnessed breach of some of the covenants due to elevated portfolio stress levels

Particulars	As at March 31, 2024	As at March 31, 2023
Number of Instances	10	9
Amount Involved (₹ In Lakhs)	50,127.04	40,263.00

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

65.6 Sectoral Exposure

Category	Year ended March 31, 2024			Year ended March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
i) Agriculture-Animal Husbandry	64,130.69	1,919.60	2.99%	48,230.93	1,003.72	2.08%
ii) Agriculture-Dairy	62,679.70	4,580.97	7.31%	70,247.50	4,631.95	6.59%
iii) Agriculture-Crops	7,38,221.77	24,524.82	3.32%	5,57,438.17	9,757.84	1.75%
iv) Agriculture - Others	13,482.49	825.32	6.12%	16,650.43	809.30	4.86%
Total (i+ii+iii+iv)	**8,78,514.65**	**31,850.71**	**3.63%**	**6,92,567.03**	**16,202.81**	**2.34%**
2. Industry						
i) Textile	29,478.15	1,306.90	4.43%	25,800.11	877.23	3.40%
ii) Others	28,181.30	2,207.32	7.83%	28,257.70	1,195.97	4.23%
Total (i+ii)	**57,659.45**	**3,514.22**	**6.09%**	**54,057.81**	**2,073.20**	**3.84%**
3. Services						
i) Trade	73,225.19	5,827.92	7.96%	91,191.10	5,615.70	6.16%
ii) Others	47,016.69	3,816.27	8.12%	53,313.88	3,493.84	6.55%
Total (i+ii)	**1,20,241.88**	**9,644.19**	**8.02%**	**1,44,504.98**	**9,109.54**	**6.30%**
4. Personal Loans						
i) Loan Against Gold Jewellery	88,967.95	1,529.38	1.72%	70,532.01	498.52	0.71%
ii) Product Loan	36,400.34	5,953.94	16.36%	35,478.82	9,753.67	27.49%
iii) Others	6,269.56	303.73	4.84%	6,948.97	67.45	0.97%
Total (i+ii+iii)	**1,31,637.85**	**7,787.05**	**5.92%**	**1,12,959.80**	**10,319.64**	**9.14%**

65.7 Loans and contracts awarded to Directors, Senior Officers and relatives of Directors - As per provisions of the Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time)["the Master Direction"].

Particulars	As at March 31, 2024	As at March 31, 2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2024
(All amounts in ₹ lakhs unless otherwise stated)

65.8.Divergence in asset classification and provisioning

No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory inspection for the year ended 31 March 2023 and for the year ended 31 March 2022 as per the requirement of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on March 21, 2024)

66 Details of Auctions Held During the Year 2023-24

Additional disclosures as required by the Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time)["the Master Direction"].

Year	Number of Loan Accounts	Principal Amount outstanding at the dates of auctions (A) (₹ in Lakhs)	Interest Amount outstanding at the dates of auctions (B) (₹ in Lakhs)	Total (A+B) (₹ in Lakhs)	Value fetched (₹ in Lakhs)
March 31, 2024	2661	1,632.02	573.09	2,205.11	1,609.92
March 31, 2023	546	445.76	122.81	568.57	554.26

Note: No sister concerns participated in the auctions held during the financial year ended on March 31, 2024 and March 31, 2023

67

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to certain tables at the database level. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

68 Previous year figures

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

For M. P. CHITALE & Co
Chartered Accountant
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership Number: 143700

Date: May 22, 2024
Place: Pune

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer
Date: May 22, 2024
Place: Valapad

Aparna Menon
Company Secretary



Concept & Design (info@wyatt.co.in)

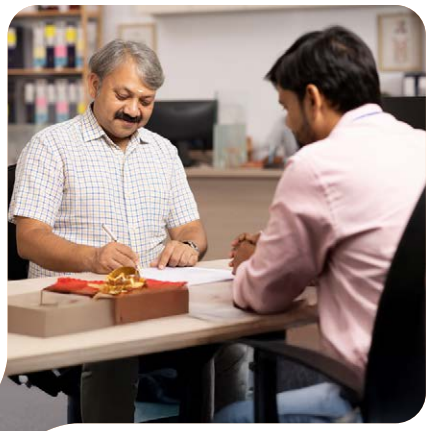
ASIRVAD MICRO FINANCE LIMITED

Subsidiary of MANAPPURAM FINANCE LTD.

Small Loans... Big Dreams..

STRENGTHENING TRUST.
DRIVING IMPACT.
FINANCING DREAMS.









18th Annual Report 2024-25

Contents

Corporate Overview

01 Introduction to Theme
02 Asirvad Overview
05 Widespread Branch Network
06 Performance Scorecard
08 Chairman's Message
10 Letter from Mr. B.N. Raveendra Babu
11 CEO's Message
13 Empowering Financial Inclusion through Digital Innovation
16 Cybersecurity
17 Accelerating Impact with ESG at the Core
19 Corporate Social Responsibility
21 Board of Directors
24 Corporate Information

Statutory Reports

26 Management Discussion & Analysis
32 Board's Report

Financial Statements

95 Standalone financial statements



To view this report online, please visit:
www.asirvadmicrofinance.co.in



Strengthening Trust. Driving Impact. Financing Dreams.

The fiscal year 2024-25 was marked by a challenging industry environment and increased regulatory pressures for the microfinance sector in India. Amidst this backdrop, Asirvad, an NBFC-MFI, remained focussed on its core mission – promoting financial inclusion through responsible lending while ensuring transparency and ease of interaction, reinforcing trust and creating long-term impact for all stakeholders.

With the solid support of our Promoter, Manappuram Finance Limited, and strong partnerships with a diversified lender base, we continued to deliver timely financial solutions while maintaining portfolio quality despite credit tightening and cautious lender sentiment during the fiscal year. The reaffirmation of our CRISIL AA-/Stable rating further reflects our robust parentage, prudent underwriting practices, financial health, strong governance practices and continued lender trust in our competencies.

We have adopted the Joint Liability Group ('JLG') lending model, a peer liability sharing model backed by mutual guarantees. The model helps our borrowers to avail loans without collateral on an individual basis while encouraging group accountability and credit discipline. It aligns with our vision of empowering the financial dreams of the underbanked and underprivileged population, particularly women, and enhancing their income generating activities. We also offer credit shield insurance to our borrowers and co-borrowers to help safeguard borrower households against unforeseen events while bolstering their engagement. This, alongside our various community development initiatives, has strengthened our position as a trusted financial partner in our borrowers' journey towards achieving financial independence.

Guided by seasoned leadership, technology-led processes, robust risk management and a skilled workforce, we operate a fully automated loan processing system – right from onboarding to cashless disbursements. Additionally, our presence across India and deep market understanding of local markets have helped us to respond swiftly and responsibly to evolving borrower needs.





As a responsible lender, we remain dedicated in bridging financial gaps, prioritising our customers' credit needs while contributing to India's broader vision of inclusive growth and development.

Asirvad Overview

On August 29, 2007, our Company was established as 'Asirvad Micro Finance Private Limited', a private limited Company under the Companies Act, 1956, at Chennai, Tamil Nadu. Simultaneously, our Company received the certificate of incorporation from the Assistant Registrar of Companies, Chennai, Tamil Nadu, the Andaman and Nicobar Islands. In due course, our Company was converted into a Public Limited Company and renamed as 'Asirvad Micro Finance Limited'. A certificate of registration as an NBFC was granted by the RBI under Section 45-IA of the Reserve Bank of India Act, 1934. Subsequently, the RBI granted NBFC-MFI status to our Company with effect from October 4, 2013.

We primarily offer microfinance loans to low-income women, fulfilling the credit aspirations of the unbanked and socially and economically disadvantaged population. Additionally, we provide MSME loans and Loans against Gold.



WHERE WE STAND

₹ 8,188.79 Crores (AUM)

₹ 4,588.31 Crores (MFI) | **₹ 10,877.30** Crores (GL) | **₹ 19.59** Crores (MSME)

Total Disbursements

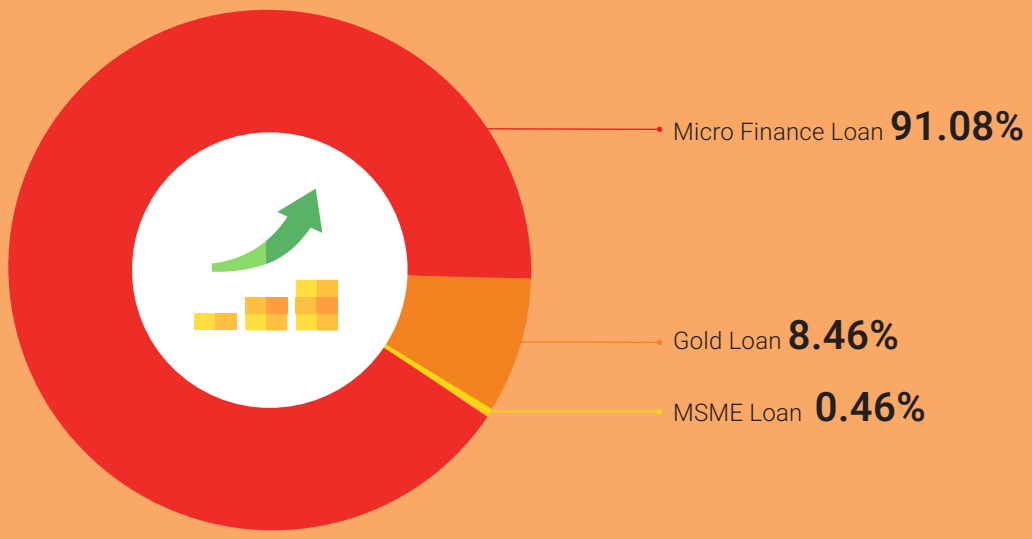
₹ 34.92 Lakhs (MFI) | **₹ 1.41** Lakhs (GL) | **₹ 0.03** Lakhs (MSME)

Active Borrowers

1,788
Total Branches across 22 States & 4 Union Territories

46 No. of Lenders | **17,506** Total Employees

REVENUE MIX BY PRODUCT



WHAT SETS US APART

- Strong parentage
- Diversified regional presence
- Customer-first approach
- Driving innovation with cutting-edge technology
- Robust governance and risk management framework
- Experienced leadership team

CREDIT RATING



- **CRISIL AA-/Stable and CARE AA-/Stable**
  Bank Loans (Long Term)
- **CRISIL AA-/Stable and CARE AA-/Stable**
  Non Convertible Debentures (Long Term)
- **CRISIL AA-/Stable**
  Subordinated Debt (Long Term)
- **CRISIL PPMLD AA-/Stable**
  Principal Protected Market Linked Debentures
- **CRISIL A1+**
  Commercial Paper
- **CARE MFI 1**
  MFI Grading
- **C1-Care Edge**
  COCA Report



Vision

To empower the members at the bottom of the pyramid by providing financial assistance

Mission

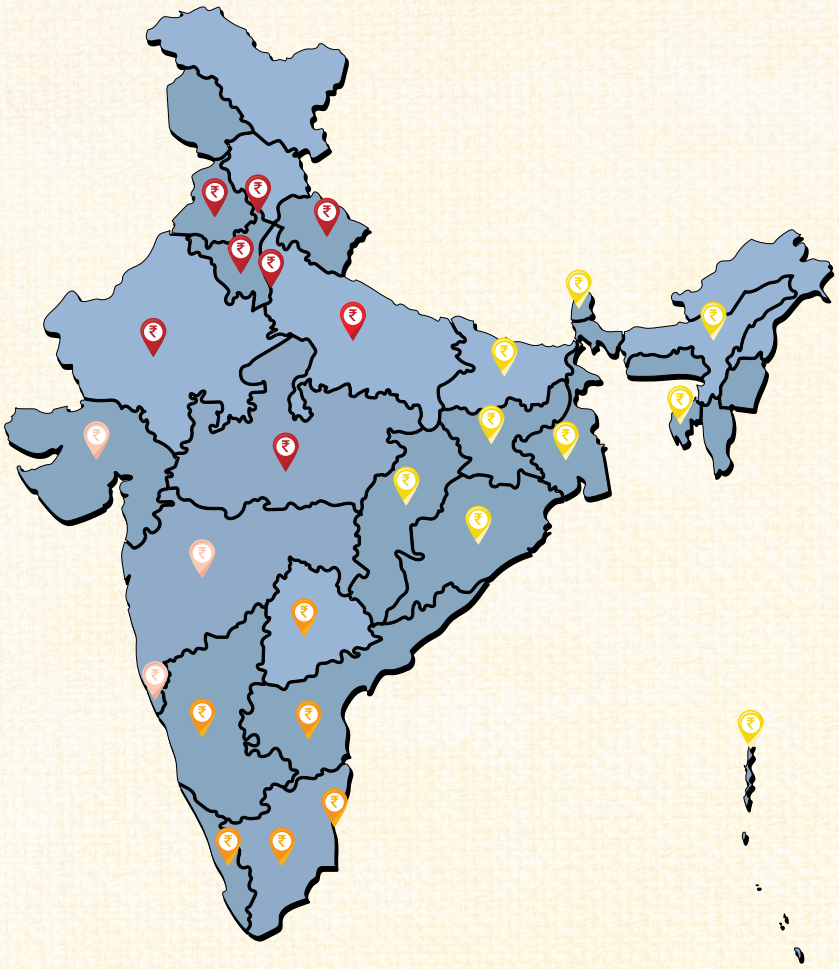
To organise groups of committed poor women and provide innovative financial services in a sustainable manner to alleviate poverty through viable income generation activities

Values

A - Acceptance | **S** - Support | **I** - Integrity | **R** - Resilience | **V** - Viable | **A** - Adaptable | **D** - Dependable

Widespread Branch Network

We began our operations in 2008 with just 2 branches in Tamil Nadu. Since then, we have grown into a microfinance institution (MFI) with a pan India presence. As one of the most geographically diversified MFIs, we strive to mitigate the risk of regional concentration in the microfinance sector.



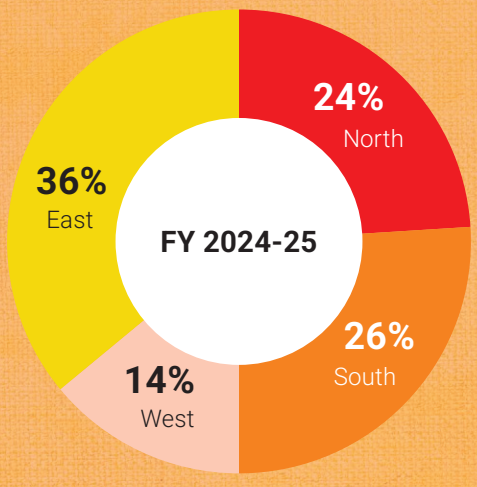
1,788
Total Branches

22
States

4
Union Territories

Map not to scale. For illustrative purposes only.

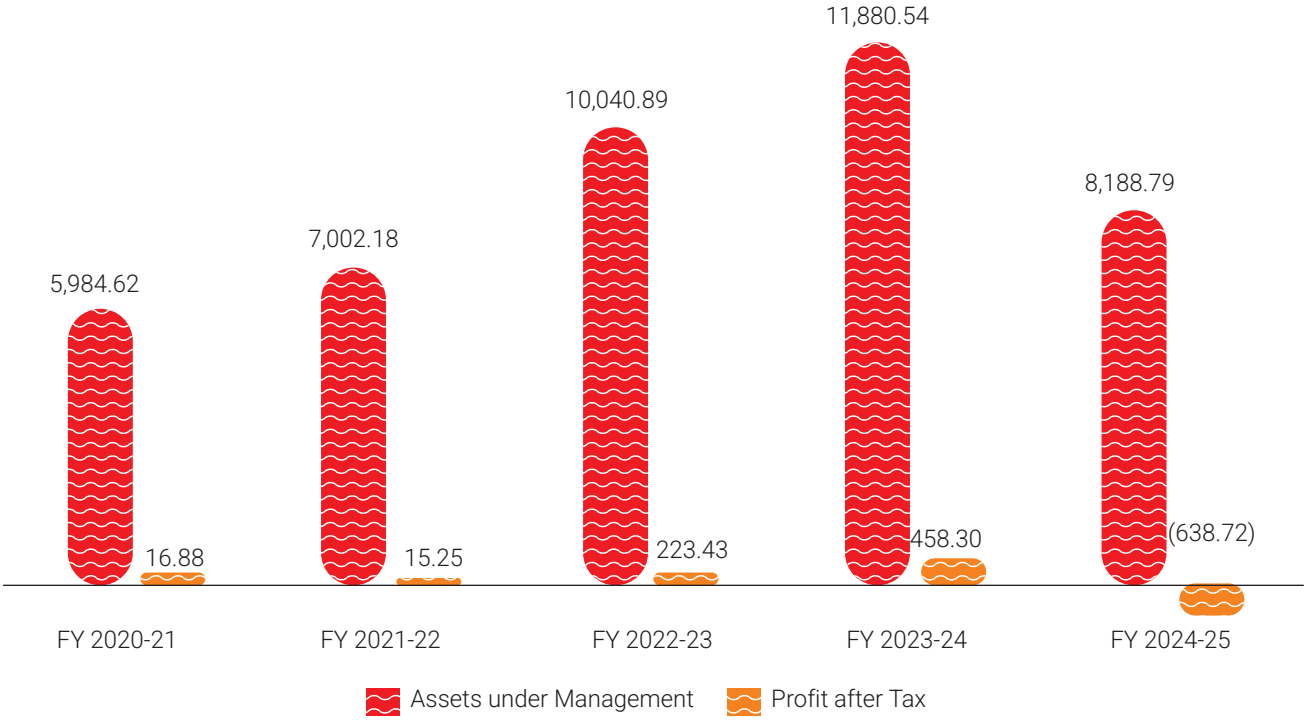
REGION WISE BRANCH MIX



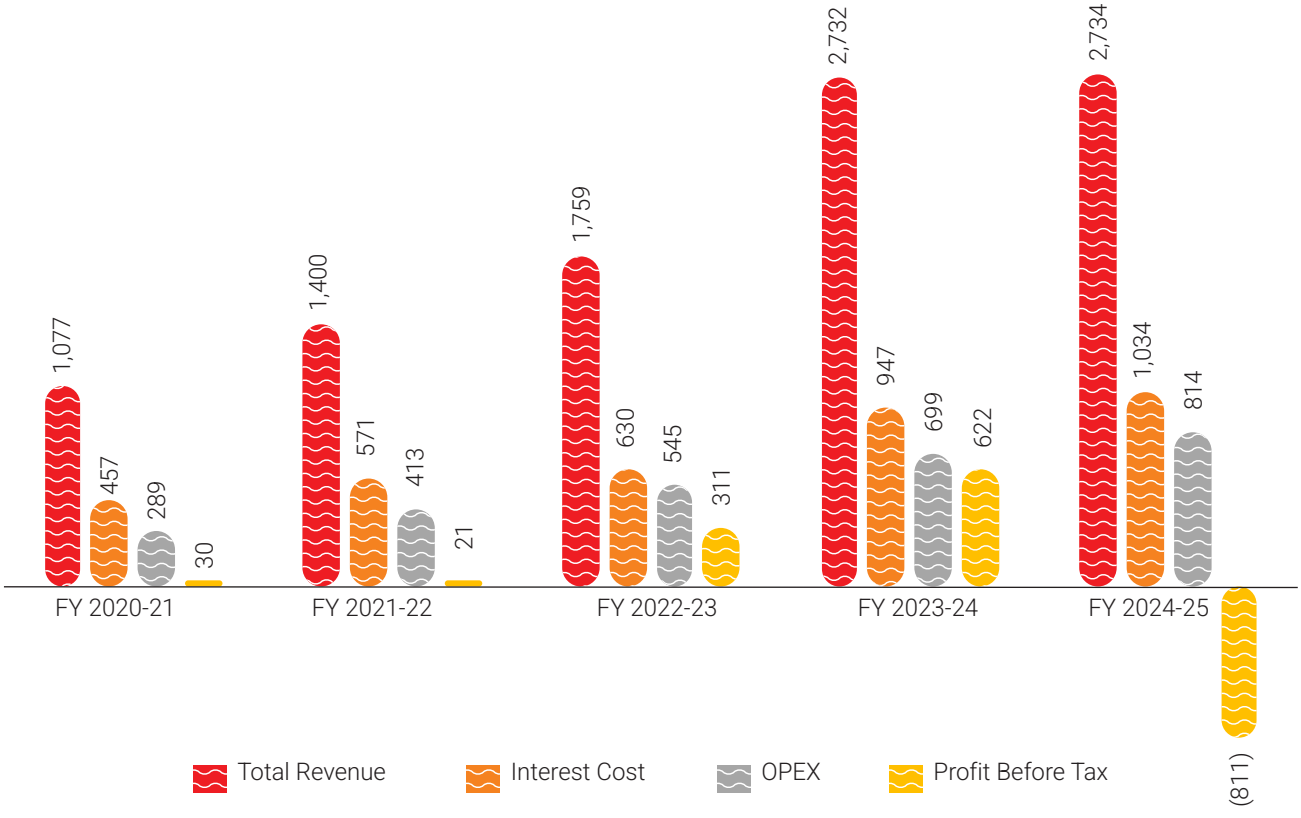
Performance Scorecard

FINANCIAL INDICATORS

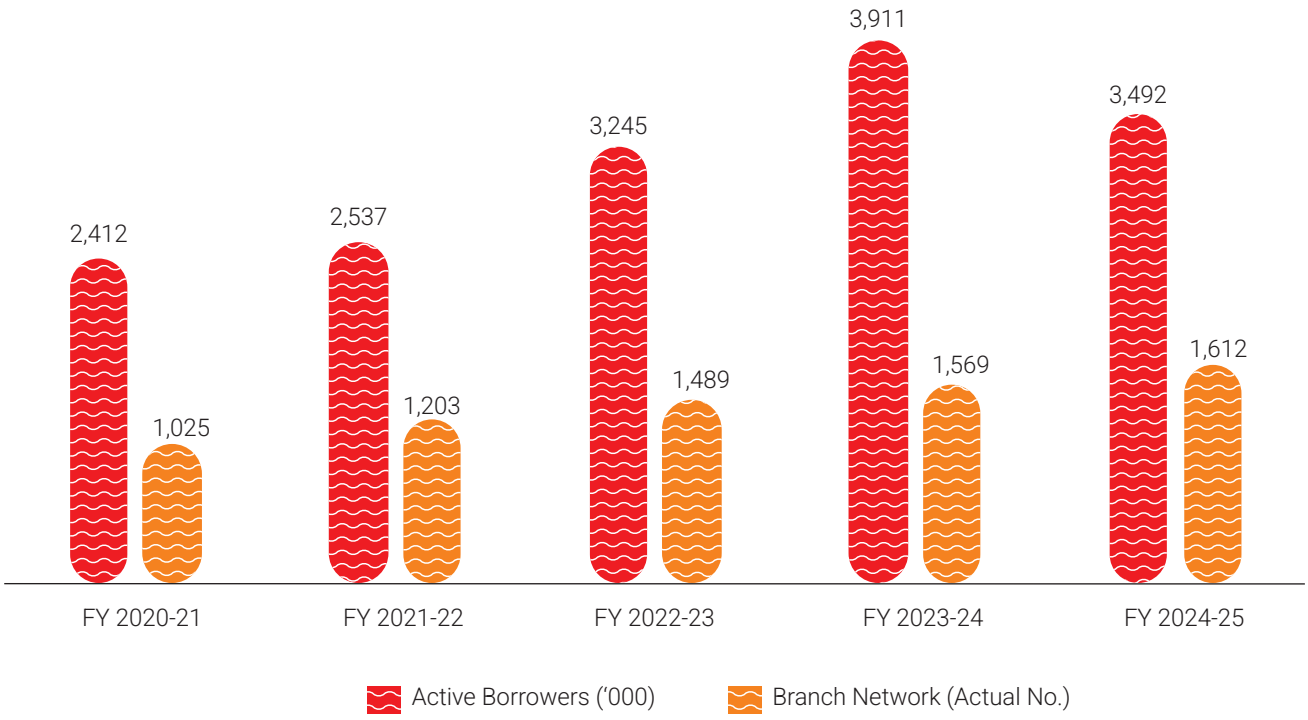
Assets Under Management & Profit After Tax (₹ Crores)



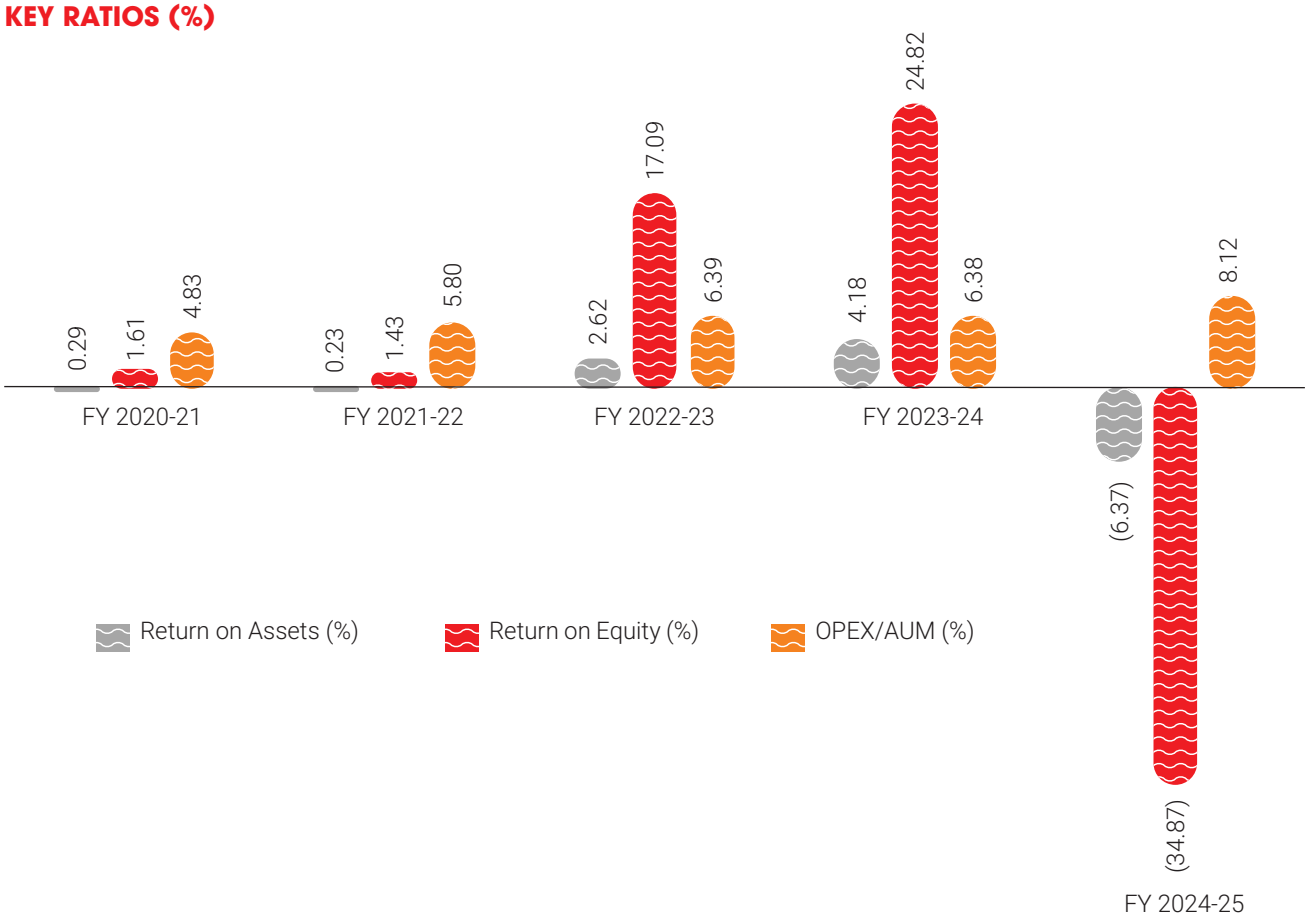
Total Revenue, Interest Cost, OPEX, Profit Before Tax (PBT) (₹ Crores)



OPERATIONAL INDICATORS (MFI)



KEY RATIOS (%)



Chairman's Message



FOSTERING INCLUSIVE GROWTH AND DEVELOPMENT

DEAR SHAREHOLDERS,

It is with immense pride and optimism that I present to you the 18th Annual Report of Asirvad Micro Finance Limited for the financial year ended March 31, 2025.

The past year has been one of political transitions and economic recalibrations across the globe. In India, the general elections concluded peacefully and decisively, resulting in the continuation of a stable government at the Centre. This democratic reaffirmation is expected to lend continuity to economic reforms and long-term policy stability, which augurs well for businesses like ours.

Globally, however, uncertainties persist. The ongoing geopolitical flashpoints — including the prolonged war in Ukraine and the volatile Middle East scenario — have kept energy prices elevated and supply chains unpredictable.

On the other hand, while many Western economies are grappling with economic fatigue, high interest rates, and sluggish consumer demand, the Indian economy remains an outlier, displaying resilience and strength. India's GDP is estimated to have grown at a commendable pace of 6.5% in FY 2024-25, supported by a robust recovery in agriculture, strong domestic demand, and an uptick in rural consumption.

It is against this dynamic and evolving backdrop that Asirvad has continued its mission of empowering women and underserved communities through responsible microfinance. I am pleased to share that your Company has not only sustained its growth momentum but has also made strategic strides in expanding its reach, enhancing risk management and reinforcing its commitment to customer-centric operations.

Asirvad's performance during the year reflected regulatory pressures and macro-level shifts. We closed FY 2024-25 with Assets Under Management (AUM) of ₹ 8,188.79 Crores, a 31.07% de-growth over the previous year. The customer base reduced to 3.64 Million from 4.05 Million recorded in the preceding year, served through a vast network of branches across the country.

ECONOMIC OVERVIEW

The International Monetary Fund (IMF), in its April 2025 World Economic Outlook, had cautioned that global growth projections could reach 2.8% in 2025, albeit with substantial divergences across regions. While the United States has started easing interest rates following signs of disinflation, several major European economies remain under stress due to weak demand and industrial stagnation. Closer to home, China is navigating a phase of structural rebalancing marked by subdued consumer sentiment and a fragile property market.

Amidst these global developments, India continues to demonstrate robust macroeconomic fundamentals. The Reserve Bank of India (RBI) has adopted a pragmatic policy approach, keeping inflation largely within the 4% (+/-2%) target band for much of the year. High-frequency indicators such as GST collections, e-way bills and rural consumption indices suggest that the Indian growth story remains firmly intact.

The normal monsoon of 2024, as predicted and realised by the Indian Meteorological Department, proved to be a vital catalyst for the rural economy. Buoyant kharif and rabi harvests contributed to improved disposable incomes, boosting rural demand and creating a favourable ecosystem for microfinance expansion.

INDUSTRY OVERVIEW AND SECTORAL REFLECTIONS

The microfinance sector, despite its proven resilience, encountered a range of formidable challenges in FY 2024-25. The year was marked by an intense heatwave, regional disruptions such as the Karnataka issue, external incitements, regulatory pressures and concerns around overleveraging — all of which placed significant stress on asset quality and liquidity access. These factors led to a contraction in funding to the sector, higher credit costs and a decline in Gross Loan Portfolio (GLP).

According to the 53rd edition of Micrometer, the quarterly report released by the Micro Finance Industry Network (MFIN) as of March 31, 2025, the industry's GLP stood at ₹ 3,75,030 Crores, reflecting a 13.5% decline year-on-year. The data also indicates a 16.9% drop in total loan disbursements and a 25.4% decline in the number of new loans sanctioned over the same period.

However, even within this subdued environment, certain segments demonstrated resilience. Notably, the portfolio of NBFCs within the microfinance space grew by 4.1% on a year-on-year basis — underscoring the importance of prudent risk management and targeted outreach strategies. At Asirvad, our disciplined underwriting and region-specific servicing strategies enabled us to stay aligned with broader sectoral shifts.

MFIN also reported that microfinance services are now operational across all 36 states and union territories, spanning 718 districts and reaching nearly 7.8 Crore unique clients. Regional concentration remains high in the East, North-East, and Southern parts of India, which together account for 62.7% of the overall industry portfolio.

Asset quality is improving steadily while MFIN's credit guardrails are proving effective across the industry. We remain confident that the sector is moving into a phase of stabilisation and renewal. Guided by regulatory prudence, industry-wide cooperation and customer-centric innovation, we are committed to continuing our mission of financial inclusion while upholding asset quality and stakeholder trust.

STRENGTHENING THE FOUNDATION: PEOPLE, PROCESS AND PARTNERSHIPS

A key theme for Asirvad in FY 2024-25 was investment in organisational capability building. We launched several new initiatives aimed at enhancing employee training, process automation, and institutional culture.

A major focus area was field force upskilling. Our employees are the face of Asirvad in thousands of villages and small towns across India. We expanded our learning and development programme with a greater emphasis on digital literacy, compliance training and customer service protocols. During the year, our employees underwent structured capacity-building programmes, including onboarding, refresher, and leadership courses.

Simultaneously, we made significant progress in technology integration. Core banking systems were upgraded for faster processing while mobile-based field applications were further improved for better monitoring and reporting. We also invested in cybersecurity enhancements, ensuring that our expanding digital footprint remains secure and compliant with regulatory expectations.

On the funding side, we strengthened partnerships with banks, development finance institutions and international impact investors. Our lender base grew both in number and diversity, helping us optimise the cost of funds and improve liquidity management. We are also grateful to our parent company, Manappuram Finance Limited, for its continued support in financial and strategic matters.

LOOKING AHEAD

As we step into FY 2025-26, the outlook appears promising, albeit with caution. The Central Government is expected to unveil growth-oriented programmes, with significant emphasis on rural development, women entrepreneurship and digital inclusion — all of which directly intersect with our mission. Climate change, however, remains an emerging risk. Irregular rainfall patterns, localised droughts or floods and temperature anomalies can affect both agricultural productivity and loan repayment cycles.

In addition, we will deepen our focus on product innovation. Our traditional group lending model has served us well, but we recognise the need to evolve with changing customer aspirations.

We are also actively enhancing our ESG (Environmental, Social, Governance) reporting framework. As a socially driven lender, we are committed to measuring our impact — not just in financial terms, but also in improving the quality of life for the communities we serve.

ACKNOWLEDGEMENTS

In closing, I wish to express my sincere gratitude to all our stakeholders for their unwavering trust and encouragement.

To the Reserve Bank of India, sectoral regulators and our lending partners, your steady guidance has helped us navigate with confidence.

To our outgoing Managing Director, Mr. B.N. Raveendra Babu, and the entire team at Asirvad, thank you for your relentless effort, dedication and performance. Your work underlines our belief that financial inclusion is both a commercial and a moral imperative.

Lastly, I thank you, our esteemed shareholders, for your continued belief in Asirvad's mission. Together, we will continue to make finance accessible, equitable and empowering for millions of underserved women and families across India.

With warm regards and best wishes,

Mr. V.P. Nandakumar

Chairman

Letter from Mr. B.N. Raveendra Babu

MANAGING DIRECTOR UPTO JUNE 01, 2025



DEAR SHAREHOLDERS,

As I bid farewell to my role as Managing Director, I want to take a moment to express my heartfelt gratitude to each of you for the dedication, passion, and hard work you've shown throughout our time together. It has been a true honour to lead such an exceptional team.

The milestones we've reached, the challenges we've overcome, and the progress we've made all stand as a testament to the talent and resilience that define this company. While I step away from my position, my belief in the future of this organization remains unwavering. The path ahead is full of opportunities, and I am confident that with your continued commitment, the company will continue to thrive and achieve even greater success.

When I assumed the role of Managing Director in July 2021, Asirvad Micro Finance Limited was navigating the challenges left by the Covid-19 pandemic, adapting to the new normal within the microfinance sector. By 2023, the industry underwent a significant transformation with a paradigm shift in the regulatory landscape governing microfinance loans, which elevated the company's operations to new heights.

The year 2024 marked a pivotal period for us as we focused on driving holistic growth. However, 2025 presented its own set of challenges—both within the broader microfinance industry and specific setbacks faced by our company. Despite these unprecedented circumstances, the financial year 2025 stands as a testament to the resilience of Asirvad Micro Finance Limited.

I am deeply privileged to have had the opportunity to lead the Company during such a critical and transformative period.

As I step down from this office, I reflect with pride on the journey I've travelled. I have complete faith in the growth story of the organisation, being led by an able team of experienced professionals and the support of strong parentage. I express my gratitude to all the stakeholders for their continued support. I look forward to seeing all that the Company will accomplish in the years to come. Wishing the best to Asirvad Team.

Mr. B. N. Raveendra Babu

Managing Director (upto June 01, 2025)



CEO's Message



A YEAR OF RESILIENCE, RENEWAL AND TRANSFORMATION FOR ASIRVAD MICRO FINANCE LIMITED

DEAR SHAREHOLDERS,

It is a great honour to address you for the first time as the Chief Executive Officer of Asirvad Micro Finance Limited. I am deeply humbled by the opportunity to lead this esteemed institution at such a pivotal time.

FY 2024-25 began on a strong footing for Asirvad, reflecting robust growth and stability. Our microfinance AUM reached ₹112,359 million with a customer base of 4.03 million, at the end of Q1, FY2024-25, underscoring our team's dedication and the continued trust placed in us by our customers.

However, as the year progressed, the microfinance sector witnessed portfolio pressure due to a combination of external and regional factors. External factors such as localised natural calamities, state-level policy interventions, elections and the impact of some anti-social activities in influencing MFI customers under the loan waiver offer further impacted collections and recovery in the MFI industry. Additionally, recently issued ordinances in a few states have created repayment ambiguities among MFI customers, fostering a challenging field environment and heightening media and political sensitivities, particularly restricting collections at centre meetings and impacting borrower behaviours.

At Asirvad, we also faced such challenges. During this period, we paused our loan sanction and disbursement for more than a quarter which had an impact on the AUM, elevated PAR/NPA levels and increased operational costs. Like other industry players, Asirvad also faced an elevated field officer attrition during FY25, driven by the availability of alternative employment opportunities. High field staff turnover has disrupted the continuity of customer relationships, which are important for maintaining repayment discipline. We resumed business in January 2025 by implementing MFIN guardrails well ahead of the timeline and have decided to grow our AUM organically. Our focus has now shifted to servicing existing customers along with new customer acquisitions in a careful manner.

Despite the challenges that came our way, we remained committed to our mission of empowering the underserved communities in India. We treated this not as a setback but as an opportunity to thoroughly review our processes and controls, addressing gaps and implementing substantial improvements in all areas of business, ensuring a strong footing for the next level of growth. These challenges are expected to impact the industry's return profile in the medium term and the normalisation to FY24 levels would be difficult due to the rising operating expense and rationalisation of lending yields.

With an aim to improve the portfolio quality and business outlook in FY 2025-26, we are strengthening our underwriting framework with e-KYC onboarding. We are also planning to introduce paperless documentation process both for loan process and internal requirements through biometric-based e-sign system that would ensure better compliance and transparency. Employee awareness on cyber risks is also being actively enhanced.

As per Industry feedback and our analysis, the present crisis of the microfinance sector may continue for a couple of quarters. We are committed to executing strategic initiatives aimed at stabilising the portfolio, improving disbursements, collection efficiencies and restoring profitability.

Importantly, through all these difficulties, we remained true to our values and responsibilities, ensuring we took care of our employees, honouring their loyalty and hard work during this period of uncertainty. Our people are the foundation of our future, and we stand by them just as they stand by us.

I would like to take this opportunity to convey my sincere appreciation to the regulatory authorities for their consistent guidance and support. Their steadfast oversight has played a vital role in helping us stay aligned with our purpose, fostering not only sustainable growth but also strengthening our ability to serve and uplift economically marginalised communities. I am equally grateful to our Honourable Chairman, Mr. V.P. Nandakumar, our esteemed Board members and our parent company, Manappuram Finance Ltd., for their unwavering commitment and strategic direction. Their enduring support, particularly during challenging periods, has been a source of strength and stability, enabling us to navigate complexity with clarity and make informed, forward-looking decisions.

We extend our heartfelt gratitude to Mr. B.N. Raveendra Babu, our outgoing Managing Director, whose visionary leadership and relentless commitment have been the backbone of Asirvad's transformation. Under his stewardship, we have not only expanded our reach but also strengthened our foundation, emerging as a more resilient and responsible organisation. We sincerely thank him for his invaluable contributions and wish him continued success in all his future endeavours.

Lastly, I extend my heartfelt thanks to our shareholders and customers. Your continued trust in our mission remains our greatest motivator. It is this collective belief that inspires us to push boundaries, innovate with purpose, and drive meaningful impact across the communities we serve.

We are more than a financial institution; we are a mission – a mission rooted in the belief that financial inclusion is not just about lending money but about transforming lives. Each loan we disburse carries the potential to empower a woman, uplift a family and strengthen an entire community. Our work goes beyond balance sheets; it touches aspirations, creates opportunities and fosters resilience where it is needed most.

With warm regards and best wishes,

Dr. Roy Varghese
Chief Executive Officer



Empowering Financial Inclusion through Digital Innovation

Committed to technology-driven operations, we made significant investments in technology during the year to strengthen systems and processes, enabling us to expand our reach across a vast borrower base, especially in rural areas. The adoption of digital tools has helped streamline borrower onboarding and loan management, simplifying the overall loan cycle - from borrower acquisition and evaluation to approval, disbursement, and repayment tracking.



STRENGTHENING DIGITAL PRESENCE FOR CASHLESS AND PAPER-FREE TRANSACTIONS

Our objective is to offer seamless, fast and secure **digitally-enabled** financial services to our borrowers. During the year, we focussed on –

- Enabling **eKYC** for quick verification, allowing us to onboard new customers in a frictionless manner
- Using **eSign** systems to reduce paperwork and ensure a smooth, paper-free process for contract signing
- Broadening the payment options available to borrowers by integrating solutions such as **UPI** and **QR code payments** for greater flexibility and ease for transactions

ONGOING INVESTMENT IN TECHNOLOGY FOR OPERATIONAL EFFICIENCY

To support sustainable growth and improve internal processes, we are making significant investments in technology to streamline operations, including onboarding, underwriting and risk management, through:

- Implementing **more accurate, automated systems** to manage increasing data volumes and improve decision-making speed and accuracy
- Upgrading our infrastructure to **cloud-based solutions** for greater scalability, quicker deployment and more reliable services
- Leveraging advanced **analytics tools,** we plan to extract insights from borrower data to drive more informed decisions, improving both operational efficiency and service delivery





MAXIMISING BORROWER RETENTION THROUGH IMPROVED CUSTOMER EXPERIENCE

We recognise that retaining borrowers with good repayment histories is key to our business success. As part of our strategy, we aim to –

- Improve borrower experience by providing real-time access to loan information, such as balances, payment due dates and loan status, via our mobile apps and online portals, enabling borrowers to stay informed and manage their payments more effectively
- Enhance customer support through automated systems, helping in the quick and efficient resolution of borrower queries, reducing wait times and elevating satisfaction

STRENGTHENING DATA SECURITY INFRASTRUCTURE

Safeguarding sensitive financial information has become a top priority for us as we handle an increasing volume of data. Through a proactive cybersecurity approach, we ensure the safety of our borrower data and strengthen trust in our services by focussing on –

- Implementing end-to-end encryption to protect borrower data during transactions
- Rolling out multi-factor authentication (MFA) for added security, ensuring that only authorised individuals can access sensitive borrower information
- Continuous system monitoring with advanced security solutions to detect and respond to potential vulnerabilities in real time





ENHANCING GOVERNANCE, RISK MANAGEMENT AND COMPLIANCE

As we scale, we continue to maintain strong governance and compliance frameworks, in line with industry regulations, through key measures:

- Adopting RegTech solutions to automate and monitor regulatory compliance, minimising human error and oversight while staying updated with evolving regulations, ensuring that we meet all necessary legal requirements in real-time
- Improving internal governance processes by digitalising board meetings, enabling automated meeting scheduling, document management and decision-making, reducing administrative overhead and enhancing operational transparency
- Enhancing risk management practices by using data-driven tools to assess and mitigate potential financial risks, ensuring more informed decision-making

STREAMLINING LOAN DISBURSEMENT AND BORROWER COMMUNICATION

We are also enhancing our borrower experience by streamlining our payment systems for faster and more efficient loan disbursements, by –

- Leveraging payment solutions such as UPI and NEFT to facilitate quicker transfers and timely fund transfer with borrowers
- Strengthening communication by launching multi-channel systems – SMS, email, and instant messaging platforms like WhatsApp to notify borrowers about important updates, such as loan status, payment reminders and upcoming due dates, ensuring they are always informed
- Enhancing our self-service portals to give borrowers more control over their loan management, enabling them to track progress, adjust repayment plans or make prepayments at their convenience



We are poised for another year of growth and transformation through digital innovation, driving improved operational efficiency and enhancing the borrower experience. Through investments in cloud infrastructure, enhanced cybersecurity and data-driven decision-making, we are building a more resilient and efficient organisation. Our focus on improving customer engagement, loan disbursement, and risk mitigation will ensure that we continue to meet the needs of our borrowers while positioning ourselves for sustained growth in the years ahead.

As our operations expand, we are committed to advancing our **underwriting** and **risk management** processes for greater precision and efficiency. We aim to optimise our **cloud-based infrastructure** to support the growing demands of new markets, enabling faster service delivery and greater scalability. **Data security** will remain a top priority as we work to strengthen our defences against evolving threats. Through data collection, automation, and customer satisfaction, we plan to deliver the best possible experience for our borrowers while driving long-term growth.

WAY AHEAD

₹ 527 Crores

Digital Collection in FY 2024-25

Cyber Security



1. ISO/IEC 27001:2022 certified Information Security Management System (ISMS) implemented and maintained.
2. Regular VAPT conducted across applications and networks; critical vulnerabilities remediated with structured closure cycles.
3. 24x7 Security Operations Centre (SOC) in place, integrated with SIEM for real-time threat monitoring and response.
4. Strong endpoint security and centralised patch management across all critical systems.
5. Cybersecurity awareness, phishing simulations, and department-specific training conducted regularly.
6. Email security strengthened through SPF, DKIM, DMARC, and advanced anti-phishing controls.
7. Cloud and third-party security assessments conducted, ensuring secure configurations and compliance.
8. Robust policy framework including Cybersecurity, ISMS, and Data Privacy (aligned with DPDPA) implemented and enforced.
9. Cybersecurity governance led by a certified CISO with a skilled InfoSec team driving continuous improvement and innovation.

Powering Growth with a Talented Workforce

As an employee-friendly organisation, we believe in creating a conducive work environment for our employees to thrive and contribute to our broader vision of financial inclusion. Through focussed initiatives, we help our employees to optimise their potential while supporting their overall well-being, fostering shared progress.



17,506
Employees

9,506
New Employees onboarded in FY 2024-25

Accelerating Impact with ESG at the Core

Focussed on sustainable growth, we have embedded ESG into every aspect of our operations, driving responsible lending for uplifting communities and supporting nationwide economic development. By aligning our goals with robust governance and ethical practices, we aim to create a lasting positive impact while protecting the environment and promoting inclusive growth.

At Asirvad, responsible financing is a key priority, with sustainability at the core of our vision to create long-term value for our stakeholders. With a customer-centric business model and diverse products that support the entire life cycle needs of our customers, we are driving large scale positive social impact across the communities, including customers, employees and other stakeholders.

We actively promote sustainable practices across our business that enhance business performance, brand success and overall reputation. Our business strategy and policies are anchored on customer and employee centricity, driving sustainable growth and empowering communities in the long term.

We have implemented an ESG framework aligned with our vision to build an enduring institution that serves the long-term needs of our customers with great sensitivity.

- **Environmental:** Reducing our carbon footprint and minimising environmental impact
- **Social:** Promoting fair labour practices, diversity and community involvement
- **Governance:** Upholding robust corporate governance policies, such as executive compensation, shareholder rights and board structure

The ESG framework serves as a strategic guide to incorporate Environmental, Social and Governance (ESG) considerations into operations and business, mitigate the impact of material risk and guide ESG initiatives undertaken at Asirvad. Our progress in environmental sustainability, employee empowerment, customer satisfaction and community development underscores our commitment to responsible business practices.

As we advance, we stay focussed on continuous improvement, setting higher targets and strengthening our impact across environment, social and governance aspects.

Environmental

At Asirvad, we prioritise environmental sustainability and compliance with regulations. We have implemented energy-efficient lighting and air-conditioning systems, raising awareness among employees about energy conservation. By leveraging technology, we have reduced paper usage and emissions from travel and enhanced operational efficiency.

Social

Over the years, we have consistently worked towards the economic and social upliftment of the marginalised and vulnerable sections of society, creating an overall positive impact on society and the environment in our area of operations. At Asirvad, our CSR initiatives are primarily routed through Manappuram Foundation.

Leveraging our talent management strategy and the MADU online learning platform, we offer extensive learning and development opportunities to drive continuous growth and professional development. We also prioritise upskilling and reskilling of our employees through training and resources to enhance their skills and expertise.

Additionally, we ensure our working conditions meet (or exceed) the international labour standards. By recognising



that the safety and health of workers enhance productivity along with economic and social development, we strive to be one of the best workplaces for employees.

Human Rights

We are committed to upholding employee rights while treating all employees with respect and dignity, fostering a healthy and conducive work environment. Our human rights policy promotes equity, diversity and inclusion within the organisation, non-discrimination, prevention of human rights violations across the entire value chain and adequate training/ awareness on human rights.

We are committed to respecting all employee rights and providing a work environment that's free from any physical, verbal or psychological harm. Our policies and systems have been designed to prevent and address such instances, in case they arise. Additionally, the policies and systems ensure that employment decisions are based on merit and business needs, with equal opportunities provided for growth, benefits and compensation to each employee.

Governance

Strong corporate governance practice is essential for sustainable growth and maintaining long-term relationships with stakeholders. At Asirvad, we implement the highest level of corporate governance practices, prioritising integrity, full transparency and accountability in all transactions, to protect our stakeholders interests. This enables us to attract high quality financial and human capital while ensuring that all our stakeholders, including shareholders, customers, employees, creditors and regulators, are aligned with our Company's objectives.

We believe that the best governance practices begin with a well-composed board. The synergy of our board comprising versatile individuals with diversified skillsets significantly contributed to our success. Our strong, professionally balanced Board upholds robust ethical practices, strict internal controls and effective management to ensure the highest standards of corporate governance. Our Board of Directors also represent the interests of shareholders in driving a successful business and generating consistent long-term financial returns in line with applicable regulatory and legal requirements and ethical considerations.

Fostering a culture of compliance, we have implemented strong internal control mechanisms, overseen by our experienced and diversified Board. Risk management is another key focus, wherein we proactively identify, assess and mitigate risks to safeguard our interests. We also prioritise customer protection while ensuring fair and transparent dealings to enhance customer satisfaction and trust.



Corporate Social Responsibility

The goal of Asirvad's Corporate Social Responsibility is to uplift society by enhancing the well-being of individuals, their families and the larger community.

The Company, through its CSR activities, strives to make meaningful interventions in society to bring about a positive change, by being instrumental in imparting quality education to its children, generating livelihoods for its people, providing medical help for the sick, empowering women for their betterment and thus fostering a harmonious community.

As part of the CSR, the Company is presently engaged in several projects which are socially relevant and demanding in the locality surrounding its corporate office area and other locations where the Company has branches or other places of business.

Key FY 2024-25 CSR Initiatives

Provided support to physically challenged people through Dream Runners Foundation, Chennai









Asirvad Micro Finance Limited

As part of the "Manappuram Harmony Tribal Beats project", we donated property to the Santhi Medical Information Centre, Attapadi.







Donated school equipment to Panchayath Union Primary School, Vediyarasampalyam, Pallipalayam, Tamil Nadu





16 Bureaus

38 Desks

38 Benches & Printer

Board of Directors



Mr. V. P. Nandakumar
Chairman

Vazhappully Padmanabhan Nandakumar is the Chairman and Non-Executive and Non-Independent Director of our Company. He holds a bachelor's and a master's degrees in science from University of Calicut, India. He is currently the managing director and chief executive officer of our Promoter, MAFIL. He is on the board of governors of IIM Kozhikode and has previously served on the board of directors of several companies including Lions Co-ordination Committee of India Association, Aptus Value Housing Finance India Limited, Equitas Holdings Limited and Five Star Business Finance Limited.



Mr. Abhijit Sen
Non-Executive, Independent Director

Abhijit Sen is an Independent Director of our Company. He holds a bachelor's degree in technology with first class honours in electronics and electrical communication engineering from Indian Institute of Technology, Kharagpur, India and a post graduate diploma in management from Indian Institute of Management, Calcutta, India. He has previously worked with Citibank N.A., India as the managing director – chief financial officer and has served on the board of directors of several companies including Citicorp Finance (India) Limited, Citicorp Services India Private Limited, IDFC First Bank Limited, IndiaFirst Life Insurance Company Limited, WIPRO Technology Services Limited.



Ms. Anita Belani
Non-Executive, Independent Director

Anita Belani is an Independent Director of our Company. She holds a diploma (honours) in personnel management and industrial relations from Xavier Labour Relations Institute, Jamshedpur, India. She has previously served as the chief people officer at Gaja Advisors Private Limited and has served on the board of directors of several companies including Bandhan AMC Limited, SV Edusports Private Limited, BMR Business Solutions Private Limited, and Manpower Group Services India Private Limited.



Mr. D R Dogra

Non-Executive, Independent Director

Desh Raj Dogra is an Independent Director of our Company. He holds a bachelor's degree in science from Himachal Pradesh University, India, a master's degree in business administration from University of Delhi, India and a post graduate diploma in marketing and sales management from Board of Technical Education, Delhi, India. He is a certified associate of the Indian Institute of Bankers. He has previously worked as the managing director and chief executive officer of Credit Analysis and Research Limited and has served on the board of directors of several companies including Axiscades Aerospace & Technologies Private Limited, L&T Financial Consultants Limited, ITI Mutual Fund Trustee Private Limited, and Metropolitan Stock Exchange of India Limited.



Mr. Gautam Saigal

Non-Executive, Non-Independent Director

Gautam Rathindranath Saigal is a Non-Executive and Non-Independent Director of our Company. He is qualified chartered accountant. He is the managing partner of Pachira Financial Services LLP. He has previously served as the managing director of AA Indian Development Capital Advisors Private Limited, associate director of India Liaison Office of American International Group, Inc, vice president of 'merchant banking' division of S.S. Kantilal Ishwarlal Securities Private Limited and has also worked with Stewart and Mackertich Investment and Financial Services Limited and Lovelock & Lewes. He is on the board of directors of several companies including Manappuram Home Finance Limited and ZIM Health Technologies Limited and has previously served on the board of directors of several companies including our Promoter, MAFIL, ZIM Laboratories Limited, Seed Infotech Limited, Barflex Polyfilms Private Limited and Numero Uno Clothing Limited.



Mr. Harshan Kollara

Non-Executive, Independent Director

Mr. Harshan Kollara Sankarakutty is an Independent Director of our Company. He holds a bachelor's degree in arts from University of Calicut, India and master of arts degree in economics from University of Bombay, India. He has previously served on the board of directors of several companies including Federal Bank Limited, Fedbank Financial Services Limited, Experian Credit Information Company of Indian Private Limited and Avanti Home Solutions Private Limited.



Ms. Pushya Sitaraman

Non-Executive, Independent Director

Pushya Sitaraman is an Independent Director of our Company. She holds a bachelor's degree in law from Madras Law College, India. She is a senior advocate at the Madras High Court. She is on the board of directors of several companies including Shiksha Financial Services India Private Limited, Southern Veneers and Woodworks Limited, Mayabandar Doors Limited and The Western India Plywoods Limited.



Mr. S V Raja Vaidyanathan

Non-Executive, Non-Independent Director

Raja Vaidyanathan Venkataraman Sattanathapuram is a Non-Executive and Non-Independent Director of our Company. He holds a bachelor's degree in technology from Indian Institute of Technology, Madras, India and a post-graduate diploma in management from Indian Institute of Technology, Calcutta, India. He is an associate of the Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India. He has previously served on the board of directors of several companies including Gradatim I.T. Ventures (India) Private Limited, Voicegear Network Technologies Private Limited, Pronto Franchising Private Limited, Growth Street Venture Partners LLP, and Microplex Private Limited.



Mr. S. K. Mitra

Non-Executive, Independent Director

Subrata Kumar Atindra Mitra is an Independent Director of our Company. He holds a master's degree in science from University of Calcutta, India and a master's degree in management science from Texas Christian University, USA. He has previously worked with the 'merchant banking' division of Standard Chartered Bank, India and as a non-executive member of the credit committee of the FirstRand Bank, India. He was previously associated with the financial services business at the Aditya Birla Group and Bank of India. He has served as the director-in-charge of vocational service avenue of service of the Rotary Club of Bombay and has previously served on the board of directors of several companies including GIC Asset Management Company Limited, The Indo American Chamber of Commerce, Aditya Birla Nuvo Limited, Spykar Lifestyles Private Limited, Aditya Birla Sun Life AMC Limited, LIC Mutual Fund Asset Management Limited, QSK Advisory Private Limited.



Mr. T Balakrishnan

Non-Executive, Independent Director

Thotanchath Balakrishnan is an Independent Director of our Company. He holds a Bachelor's degree in Arts from the University of Delhi, India and is a former member of the Indian Administrative Service. In the past, he has served as the Managing Director of INKEL Limited and as the Chairman and Managing Director of Kerala High Speed Rail Corporation Limited. He was also on the boards of diverse companies, including INKEL-EKK Roads Private Limited, Cheraman Infrastructure Private Limited, Kerala State Mineral Development Corporation Limited and Travancore Titanium Products Ltd.

Corporate Information

COMPANY
Asirvad Micro Finance Limited

CORPORATE IDENTIFICATION NUMBER
U65923TN2007PLC064550

REGISTERED OFFICE
9th Floor, No. 9, Club House Road, Anna Salai, Chennai, 600002, Tamil Nadu

CHIEF EXECUTIVE OFFICER
Dr. Roy Varghese

CHIEF FINANCIAL OFFICER
Mr. Rajesh KRN Namboodiripad

COMPANY SECRETARY & COMPLIANCE OFFICER
Ms. Aparna Menon
Email: sec@asirvad.in
Phone No: +91 9345960647

STATUTORY AUDITORS
A. John Moris & Co.,
Chartered Accountants
No.5, Lakshmipuram 1st Street,
Deivasigamani Road (Near Music Academy), Royapettah,
Chennai – 600014

SECRETARIAL AUDITORS
KSR & Co., Company Secretaries LLP
Indus Chambers, Ground Floor
No.101, Govt. Arts College Rd
Coimbatore – 641 018

REGISTRARS & TRANSFER AGENTS
MUFG Link Intime India Private Limited
"Surya" 35, Mayflower Avenue,
Behind Senthil Nagar,
Sowripalayam Road, Coimbatore –
641028, Tamil Nadu, India
Tel: +91 422 2314792/5792, 4958995, 2539835/ 836
E-mail: coimbatore@in.mpms.mufg.com
Investor grievance e-mail: coimbatore@linkintime.co.in
Website: https://www.in.mpms.mufg.com
Contact Person: S Dhanalakshmi
SEBI registration no: INR000004058

DEBENTURE TRUSTEES
Catalyst Trusteeship Limited
(Erstwhile GDA Trusteeship Limited)
Unit No. 901, 9th Floor,
Tower B, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel (W),
Mumbai, Maharashtra - 400013
Phone: +91 22 4922 0555
Email: dt.mumbai@ctltrustee.com
Website: https://catalysttrustee.com

IDBI Trusteeship Services Limited
Universal Insurance Building,
Ground Floor, Sir P.M. Road, Fort
Mumbai, Maharashtra – 400 001
Phone: 022 40807000,
+91 8097474599
Email: itsl@idbitrustee.com
Website: https://idbitrustee.com

LIST OF LENDERS
FII
WorldBusiness Capital, INC.

Foreign Banks
Bank of Bahrian and Kuwait
CTBC Bank
DBS Bank
HSBC Bank
SBM Bank
Standard Chartered Bank
Woori Bank

NBFC
A K Capital
Aditya Birla Finance Ltd
Bajaj Finance Ltd
Equirus Securities Private Limited
Hinduja Leyland Finance
Manappuram Finance Limited
Nabkisan Finance Ltd
Northern Arc Capital Limited
Vivriti Asset Management

Private Bank
Axis Bank
Bandhan Bank Limited
Catholic Syrian Bank
Citibank
City Union Bank
DCB Bank
Federal Bank
HDFC Bank
ICICI Bank
IDBI Bank
IDFC First Bank
Karnataka Bank
Kotak Mahindra Bank
RBL Bank Ltd
South Indian Bank
Yes Bank Ltd.

PSU Bank
State Bank of India
Odisha Gramya Bank
Canara Bank
Bank of Baroda
Bank of India
Bank of Maharashtra
Indian Bank
Indian Overseas Bank
Punjab National Bank
UCO Bank

Financial Institutions

Small Industries Development Bank of India (SIDBI)
MUDRA (Micro Units Development & Refinance Agency Ltd)
NABARD (National Bank for Agriculture and Rural Development)

BOARD AND ITS COMMITTEES

Board of Directors

Mr. V P Nandakumar
Chairman
Mr. Abhijit Sen
Non-Executive, Independent Director
Ms. Anita Belani
Non-Executive, Independent Director
Mr. D R Dogra
Non-Executive, Independent Director
Mr. Gautam Saigal
Non-Executive,
Non-Independent Director
Mr. Harshan Kollara
Non-Executive, Independent Director
Ms. Pushya Sitaraman
Non-Executive, Independent Director
Mr. S K Mitra
Non-Executive, Independent Director
Mr. S V Raja Vaidyanathan
Non-Executive,
Non-Independent Director
Mr. T Balakrishnan
Non-Executive, Independent Director

Audit Committee

Mr. D R Dogra
Chairman
Mr. Abhijit Sen
Member
Mr. Gautam Saigal
Member
Mr. Harshan Kollara
Member
Mr. S V Raja Vaidyanathan
Member
Mr. T Balakrishnan
Member

Nomination and Remuneration Committee

Mr. T Balakrishnan
Chairman
Ms. Anita Belani
Member
Mr. Gautam Saigal
Member
Mr. Harshan Kollara
Member
Ms.. Pushya Sitaraman
Member

Risk Management Committee

Mr. Gautam Saigal
Chairman
Mr. Abhijit Sen
Member
Ms. Anita Belani
Member
Mr. D R Dogra
Member
Mr. S V Raja Vaidyanathan
Member
Chief Risk Officer
Permanent Invitee

Corporate Social Responsibility Committee

Ms. Pushya Sitaraman
Chairperson
Mr. D R Dogra
Member
Mr. T Balakrishnan
Member

Stakeholders Relationship and Customer Service Committee

Mr. Harshan Kollara
Chairman
Ms. Pushya Sitaraman
Member
Mr. S K Mitra
Member

Management Committee

Mr. V P Nandakumar
Chairman
Mr. Abhijit Sen
Member
Mr. D R Dogra
Member
Mr. Gautam Saigal
Member
Mr. Harshan Kollara
Member
Mr. S V Raja Vaidyanathan
Member

Borrowing and Securities Allotment Committee

Mr. S V Raja Vaidyanathan
Chairman
Mr. T Balakrishnan
Member
Mr. V P Nandakumar
Member

IT Strategy Committee

Mr. S K Mitra
Chairman
Mr. Abhijit Sen
Member
Mr. S V Raja Vaidyanathan
Member
Chief Technology Officer
Permanent Invitee

Management Discussion Analysis

Indian Economy- An overview[1]

India's steady growth amid global shifts

India's economy continues to show robust growth, largely driven by the expansion of the manufacturing sector, the strength of the service sector and policy reforms, all contributing to maintaining this momentum. The Government of India (GoI) allocated USD 134.5 Billion for capital expenditure (capex) in the FY 2025-26 union budget, underscoring its dedication to infrastructure-led growth. Despite recent announcements on reciprocal tariff by the U.S. on imports, India's real GDP is projected to experience a steady growth of 6.2% and 6.3%, respectively in FY 2024-25 and FY 2025-26. The fiscal deficit is expected to decrease in FY 2025-26 due to increasing tax revenue.

India's export ecosystem is being strengthened by strategic policies, increased competitiveness and wider market access, leading to greater integration into the global economy and resilience. The growth of India's merchandise exports in FY 2024-25 is attributed to double-digit growth in exports of coffee, tobacco, electronic goods and rice among other categories. The FY 2025-26 union budget announced the Export Promotion Mission, a proposed USD 266.6 Million initiative to enhance exports, especially for micro, small and medium enterprises (MSMEs), by offering financial incentives, market access support and compliance facilitation. By 2030, India's combined merchandise and service exports are expected to hit a USD 2 Trillion milestone.

One of the catalysts for India's economic growth is the start-up ecosystem. 75,935 startups have at least one-woman director, highlighting the growth of women entrepreneurs. More than 51% startups are emerging from tier II and III cities. 100+ unicorns are spearheading innovation and fostering opportunities across sectors.

Indian Economy: The way forward

India's quest for self-reliance: The Atmanirbhar Bharat initiative, complemented by the objective of Viksit Bharat 2047, sets a path for India to become a self-reliant, innovation-driven global entity, with a substantial decrease in import dependence. It aims to cultivate equitable prosperity, guaranteeing a balanced distribution of wealth among citizens.

Leverage AI for economic growth: India is advancing its AI ambitions through increased investments, PPPs and significant funding in digital infrastructure and deeptech to transform economy. GoI's AI mission aims to make India a global leader, revolutionising sectors, such as healthcare, education and e-governance.

Accelerate the transition to renewable energy: India is targeting emission reduction, forest cover enhancement, non-fossil fuel energy increase and green finance attraction. The country is diversifying its energy sources, restructuring power sector and focusing on digital and sustainable practices in the industrial sector.

Skill development to empower workforce: India is strengthening its young population with future-oriented skill development programmes, leveraging technology and fostering partnerships. The country is actively focuzing on boosting workforce adaptability, while promoting women's involvement and industry-academia collaboration.

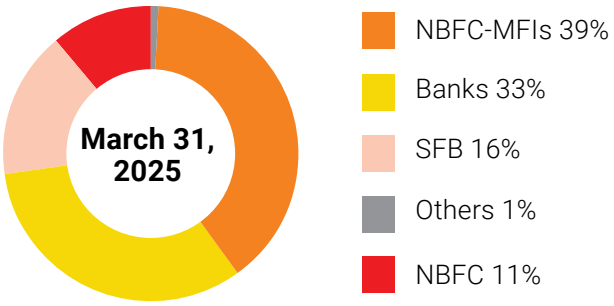
Government's efforts at financial inclusion

Financial Inclusion is an important priority of the Government. The objective of Financial Inclusion is to extend financial services to the large hitherto un-served population of the country to unlock its growth potential. Various Government initiated projects such as Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Atal Pension Yojana (APY), Pradhan Mantri MUDRA Yojana (PMMY), Stand Up India Scheme (SUPI) etc. aims at banking services, insurance services, for every unbanked household, based on the guiding principles of banking the unbanked, securing the unsecured, funding the unfunded and serving un-served and under-served areas.

INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK[2]

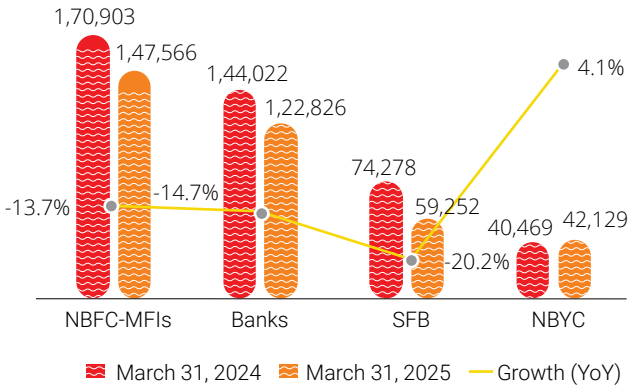
As on March 31, 2025, NBFC-MFIs are the largest provider of micro-credit with a loan amount outstanding of ₹ 1,47,566 Crores, accounting for 39.3% to total industry portfolio. Banks hold the second-largest share of portfolio in micro-credit with total loan outstanding of ₹ 1,22,826 Crores, which is 32.8% of total micro-credit universe. SFBs have a total loan amount outstanding of ₹ 59,252 Crores with total share of 15.8%. NBFCs account for another 11.2% and Other MFIs account for 0.9% of the universe.

Micro-credit loan outstanding across lenders



[1]*Source-KPMG- Decoding Indian economy- May 2025*

Portfolio outstanding of the microfinance industry (₹ Crores)

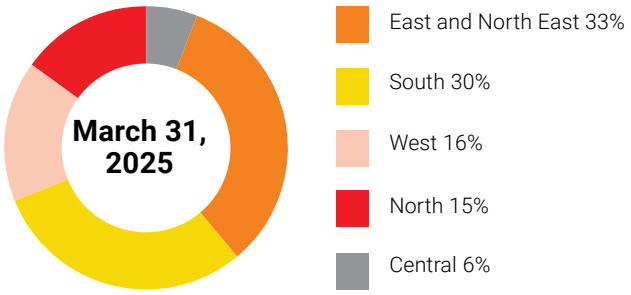


Regional distribution

As on March 31, 2025, the industry serves 7.8 Crores unique borrowers through 13.3 Crores loan accounts. The regional spread is depicted in the pie-chart below which shows that East and North-East continue to have the largest share of portfolio closely followed by South.

As on March 31, 2025, microfinance operations are present in 718 districts across 29 states and 7 union territories (UTs).

Regional distribution of portfolio



The Top 10 states (based on universe data) constitute 83.7% in terms of GLP. Bihar continues to be the largest state in terms of portfolio outstanding followed by Tamil Nadu and Uttar Pradesh. Among Top 10 states, Tamil Nadu has the highest average loan outstanding per account of ₹ 31,131 followed by West Bengal at ₹ 30,488.

NBFC-MFIs

As on March 31, 2025, the portfolio of NBFC-MFIs was ₹ 1,47,566 Crore, spread across 709 districts of 36 states and union territories. Overall health of portfolio (PAR 31-180 days) has deteriorated to 6.6% as on March 31, 2025 in comparison to 2.0% as on March 31, 2024.

Some highlights and challenges faced by NBFC-MFI's during financial year 2025 are as under:

- As on March 31, 2025, 4.2 Crore clients have loan outstanding from NBFC-MFIs, which is 9.2% lower than number of clients as on March 31, 2024
- AUM decreased by 11.9% compared to March 31, 2024 and decreased by 2.4% compared to December 31, 2024
- Loan amount of ₹ 1,12,459 Crore was disbursed in FY 2024-25 through 2.2 Crore accounts, including disbursement of Owned as well as Managed portfolio. This is 25.4% lower than the amount disbursed in FY 2023-24
- Average loan amount disbursed per account during FY 2024-25 was ₹ 50,131 which has increased by around 12.3% in comparison to last financial year
- As on March 31, 2025, the borrowings O/s were ₹ 1,02,503 Crores. Banks contributed 58.3% of borrowings O/s followed by 18.0% from Non-Bank entity, 10.3% from External Commercial Borrowings (ECB), 9.1% from AIFIs and 4.4% from other sources
- During FY 2024-25, NBFC-MFIs received a total of ₹ 57,307 Crores in debt funding, a 35.7% decrease from FY 2023-24. Banks contributed 78.4% of the total Borrowing received followed by Non-Bank entities 11.9%, ECB 5.1%, AIFIs 3.1% and Others 1.5%
- Total equity decreased by 1.8% as compared to end of FY 2023-24 and is at ₹ 35,759 Crores as on March 31, 2025
- Portfolio at Risk PAR 31-180 days as on March 31, 2025 has deteriorated to 6.2% as compared to 2.0% as on March 31, 2024
- MFIs have presence in 26 states and 6 union territories
- In terms of regional distribution of portfolio (AUM), East and North-East accounts for 33% of the total NBFC-MFI portfolio, South 28%, North 17%, West 14%, and Central contributes 9%

As on March 31, 2025, aggregated NBFC-MFIs had a degrowth of 11.9% in comparison to March 31, 2024 and decreased by 2.4% compared to 31 December 2024.

As on March 31, 2025, NBFC-MFIs on aggregated basis have a network of 24,523 branches and employee base of 2,30,547 staff, of which 63.4% are loan officers (1,46,181). There has been growth of 15.8% in employees, 12.9% in loan officers and 13.4% in branches compared with March 31, 2024.

Compared with March 31, 2024, there has been YoY decrease of 9.2% in clients and 5.8% in loan accounts.

Average loan outstanding per account as on March 31, 2025 is ₹ 27,982 which has decreased by 6.5% as compared to ₹ 29,928 as on March 31, 2024.

During FY 2024-25, MFIs disbursed 2.2 Crore loans worth ₹ 1,12,459 Crore. Compared with FY 2023-24, there has been

[2] *Issue 53 Micrometer- Data as on March 31, 2025*

a YoY decrease of 33.5% in number of loans disbursed and 25.4% in loan amount disbursed.

Based on above statistics, it is clear that the Financial Year 2025 has been very challenging for the MFI industry witnessing decline in client base and loan accounts, de-growth in portfolio size, rising credit risk, sharp fall in disbursements, reduced borrowings and funding access, decrease in average loan outstanding all leading to the inevitable equity erosion.

India's microfinance sector is experiencing a severe crisis attributed to:[3]

- Weak Underwriting and Overleveraging: Many borrowers have loans from multiple lenders.
- Collapse of the JLG Model: The traditional joint liability group (JLG) model, which relied on peer pressure for repayments, is weakening, especially in urban areas where social ties are weaker
- Post-Pandemic Rural Stress: Declines in rural incomes have impaired repayment capacity
- Regulatory and Political Interventions: State-level regulations in Tamil Nadu and Karnataka, aimed at curbing coercive recovery, have disrupted collections and emboldened defaults
- Borrower Indebtedness: Rising debt burdens and overlapping loans with retail products have led to higher defaults

Several measures including restrictions put in by the Self-regulatory organisations, while aimed at promoting responsible lending, have led to increased borrower rejection rates and a slowdown in disbursements.

Discussion on financial performance with respect to operational performance

Asirvad Micro Finance Limited, like other players in the MFI industry, faced de-growth in portfolio size, rising credit risk and sharp fall in disbursements. During the Financial year 2025, the Company also faced other sector-specific challenges including natural calamities, shifts in socio-political and regulatory landscape. Extreme weather events such as heavy rainfall, floods, and cyclones severely impacted borrowers livelihoods, leading to reduced savings and an increase in loan defaults, which in turn affected the Company's operations. The Company also faced an unexpected "cease and desist" order by the Reserve Bank of India. While the management strived to remedy the compliance lapses pointed out by the regulator, the stoppage of disbursements consequent to the order lasted about a quarter and has resulted in severe setbacks for the Company.

Financial Highlights of the company is as below:

[3]*Microfinance Sector in India- Brickworks May 2025*

(₹ In Crores)

Particulars	FY 2025	FY 2024
Assets Under Management	8,188.79	11,880.54
Total Income (in Crores)	2,734.39	2,731.94
Profit /Loss After Tax (in Crores)	-638.72	458.30
Net worth (in Crores)	1,514.76	2,149.10
CRAR (%)	20.93%	22.79%
Gross NPA (%)	8.54%	3.75%
Net NPA (%)	2.46%	1.71%

FY 2024-25 was a challenging year, marked by a contraction in AUM, erosion in profitability, and deterioration in asset quality. While income levels held steady, the overall financial position weakened considerably due to increased credit stress and operational headwinds. The Company is focusing on improved credit quality, recovery strategies, and capital strengthening to regain financial stability and growth momentum in the coming periods.

Micro Finance Loans

As on March 31, 2025, Asirvad Micro Finance Limited had ₹ 7,206.65 Crores AUM, standalone Micro Finance branches 1,243. Micro Finance business is also done through 369 branches also doing Gold Loan and MSME loans.

As on March 31, 2025, the Company operated across 22 States and 3 Union Territories with a presence in 438 districts, with client base of 3.49 Million spread across over 1,612 branches in the field.

Asirvad Micro Finance Limited continuously invests in upgradation of its technology to serve its clients faster and has digitised its operations to reduce paperwork and TAT to customers.

Asirvad Micro Finance Limited continued to achieve business volumes through its multi-state operations. It has disbursed ₹ 4,583.31 Crores to 8,02,324 clients during the year. AUM stood at ₹ 7,206.65 Crores as on March 31, 2025.

MSME Loans

We offer loans to micro, small and medium enterprises in the manufacturing, service, trading and agri-allied activities to meet their working capital requirements and for addition or replacement of capital assets.

Our secured MSME Loans have ticket sizes of up to ₹ 1.50 Million. We also offer unsecured MSME Loans with ticket sizes up to ₹ 0.30 Million. Our MSME Loans have tenures between one year and seven years, payable in instalments. Our secured MSME Loans are backed by mortgage of immovable property.

As on March 31, 2025, total branches stood at 27 (including co-located branches), customer base at 3,209 and AUM at ₹ 53.76 Crores.

Loans against Gold

We commenced our Loan against Gold business in Fiscal 2021 in order to build our secured portfolio, to balance the unsecured nature of our microfinance loan portfolio. In our Loan against Gold portfolio, gold ornaments are pledged as collateral against the loan availed.

As on March 31, 2025, total branches stood at 520, customer base at 1,40,841 and AUM at ₹ 928.38 Crores.

Resource Mobilisation & Treasury Operations

The funding for the business is from an optimum mix of equity and debt. The company continues to follow the policy of diversification of funding sources. The Company has existing relationship with more than 45 lenders across Banks, Financial Institutions, NBFCs and Overseas FII investors and ₹ 4,720.46 Crores has been availed during year ending March 31, 2025.

The Funding mix of the company as on March 31, 2025, is given below:

Term Loan	80.94%
Non-convertible Debentures	8.71%
Securitization	10.35%
Total	100%

Opportunities

Growing market size

The target market for MFI loans continues to rise in view of growing population and increasing participation from semi and rural segments, we expect India will continue to be a major opportunity market from a demand perspective.

Favourable demographics

India has one of the world's largest youth populations, with a median age of 28 years. About 90% of Indians are below 60 years of age. It is estimated that 64% of this population is aged between 15 and 59 years.

Urbanisation on the rise

Urbanisation is a key growth driver for India, supporting faster infrastructure development, job creation, development of modern consumer services and the city's ability to mobilise savings.

In the background of such opportunities, the Company envisages to act as an active catalyst of growth of the economy, by financing the most vulnerable strata.

Threats of working in the microfinance sector includes significant reliance on information technology systems, dependence on information provided by our borrowers, operational risks such as unauthorized transactions, fraud, misappropriation and embezzlement in course of collections.

RISK MANAGEMENT

Risk management is integral to our business and as a lending institution, we face financial and non-financial risks. We have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external risks. We conduct regular training of our staff members with respect to risk-related matters, as part of our risk management process. We have a separate Enterprise Risk Management policy covering all the attendant risks facing the company in its operations.

Our internal audit function uses data analytics and on-ground fact checking to create an extra level of oversight and control to the key risks of our business. For ease of administration and close scrutiny, we have also segregated our operations into Regions based on factors such as borrower base, number of branches and AUM distribution. While these regions are managed by the Regional Heads in order to maintain close control over operations, our centralized independent risk, compliance, internal audit and secretarial functions work in tandem to meet control and corporate governance standards. Our risk management framework is primarily driven by our Board and its sub committees, the Risk Management Committee, the ALCO and is overseen by our fulltime Chief Risk Officer, who is responsible for establishing standards for risk assessment and testing, monitoring and performing testing of the risk controls, consolidating overall risk testing results and escalating any issues to senior management and the Risk Management Committee.

The risk we face in our businesses are market risk, interest rate risk, credit risk, liquidity risk, operational risk, IT risk, reputation risk, cash management risk, collateral risk and legal risk, among others. We have policies in place to address these risks, which are reviewed annually by senior management and approved by the Board of Directors. We have identified the following as critical risk areas:

Credit Risk

Credit risk is the risk of financial loss to our Company if a borrower or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loan receivables from borrowers. Our business of providing microfinance loans to women borrowers for income generating activities requires a high level of credit risk management. We seek to ensure efficient and uniform appraisal, disbursement, collection and delinquency management, by developing streamlined approval and administrative procedures. We have a clearly defined appraisal policy which ensures that borrowers are sanctioned loans only after evaluating household income, obligation, fixed obligations to income ratio and completing detailed cash flows analysis. We undertake pre-credit review through field checks, credit bureau check and use technology and automation to establish creditworthiness, repayment capacity assessment and cash flow analysis. In addition, we

have enabled cashless disbursements to limit risk of fraud and ensure end user verification. Our collections process has been similarly digitized and we use mobile applications and payment services for online collections. We also have message confirmations of collections and real-time status updates for loan status. We have clear delegation of powers in place, with a clear risk rating framework for profiling borrowers.

Concentration Risk

Concentration risk is associated with adverse developments in localized regions, which adversely impacts lending operations in the region. To minimize concentration risks, we follow prudent self-imposed exposure norms in our operations, which aim to limit our AUM exposure in a state to 10% of our total AUM and in each district, to 1% of our total AUM. We also limit our exposure to 5% of the estimated MFI market size within a state, as estimated by our Company, based on publicly available data if our total AUM is more than ₹ 100 Million in that state.

Operational Risk

Our Company identifies various operational risks inherent to its business model. These cover risks of a loss resulting from inadequate or failed internal process, people and systems or from external events. This can manifest in misappropriation, frauds, poor administrative discipline and dissatisfied clients. Key process risks include failure of internal controls inadequate reconciliation or accounting and inadequate recording of data. We have dedicated operations function whose constant endeavour is to have thorough process guidelines, controlled through system platforms and monitored through dashboards. We have strict process checks, with weekly performance review meetings. Our compliance mechanism is robust, with systems controls for fraud monitoring and reporting. We have a disaster recovery and business continuity management in place.

Asset-Liability Management Risk

Asset-liability management risk is the risk that our Company will encounter difficulty in meeting the obligations associated with the financial liabilities that are settled by delivering cash or another financial asset. Our Company has an asset-liability management policy approved by the Board and has constituted an ALCO to oversee the liquidity risk management function. The ALCO meets on a monthly basis and submits its reports and minutes to the Risk Management Committee for review.

Reputation Risk

We recognize reputational risk as one of the major risks facing the industry and believe that it can be mitigated through responsible lending, maintaining discipline, client engagement and consistently following the fundamentals of microfinance. We have a robust grievance redressal mechanism. We have implemented customer service help lines for our borrowers as part of our comprehensive monitoring processes. Borrower complaints are reviewed, investigated and sought to be resolved within a prescribed timeframe depending on the nature of the complaint and are subsequently reported to the Board of our Company for review and any necessary guidance on our customer service quality. We also carefully calibrate our growth strategy to ensure we meet requirements of our members and also address concerns of various stakeholders. Further, we engage with our borrowers and the communities we serve through financial literacy and awareness programs.

Legal Risk

Our Company has created a separate legal team to manage legal matters relating to our Company. Further, there is a dedicated unit to drive effective legal process for collections, while external counsel is sought for critical agreements, contracts, among others. We also seek to address regulatory risks, which stem from our requirement to comply with evolving laws and other compliance requirements to which we are subject. We monitor compliance with the requirements of regulatory authorities.

INTERNAL AUDIT & CONTROLS

Our audit process conducts an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis to ensure that business units adhere to our policies, compliance requirements and internal guidelines. We maintain an internal control framework which we view as an essential prerequisite for the growth of business. We have well-documented policies, procedures and authorization guidelines that are commensurate with our size.

The scope of annual internal audit is finalised by the management and approved by our Audit Committee. While our internal audit is conducted based on our risk-based audit plan, we classify our branches based on risk profile. For other functions, based on the risk perception, the areas which need to be audited and which require more attention are determined. We determine a risk matrix after assessing inherent business risk and control risk.

The reports generated by the internal audit team and any external audit firm engaged to support internal audit function, are presented to our Audit Committee on a quarterly basis. The internal audit team is also responsible for ensuring timely closure of the observations noted in internal audit reports and brings open observations beyond due date to the attention of our senior management.

The Head of Internal Audit of our Company, reporting functionally to the Audit Committee and operationally to the Managing Director. Our internal audit function assists us in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of our internal control, risk management and governance processes. In addition, our internal audit policies are in line with the risk-based internal audit framework set forth by the RBI.

The internal audit activity is conducted with systematic accountability for confidentiality and safeguarding records

and information. The head of internal audit is responsible for managing IT audits, administrative functions and audits of our loans business. There are internal auditors who are engaged in the audit of our microfinance loan, Loan against Gold and MSME Loan portfolios.

Our audit process for microfinance loans includes centre and branch visits, in course of centre audits, disbursement audits, branch audits and delinquency verification. For Loans against Gold, we undertake gold inventory verification and tallying, checks of electronic and physical security devices and have set in place risk-based alerts based on specified criteria. We have clearly delineated internal checklists providing audit check points for each of these structures, to ensure thorough checks and balances. Recognizing the higher risk inherent in our Loan against Gold operations based on physical handling of gold, our risk-based inspection and security audit take place in every 45 days, document audit takes place in every 90 days and full course inspection is conducted based on branch risk classification. All microfinance loan branches are audited at least once every month and reports are sent to the respective branch heads for necessary action.

HUMAN RESOURCES

We recognize that committed and capable employees are fundamental to an organization's long-term success. Accordingly, we place strong emphasis on fostering employee motivation, career development, and retention. Our hiring process is stringent across all levels, with thorough background verification of all onboarded employees. Once onboarded, we prioritize internal career progression through a structured appraisal and promotion framework, encouraging growth from within rather than relying on lateral hires. All field-level employees begin at the entry level and advance through clearly defined performance-based pathways. This approach not only drives productivity and retention but also ensures employees develop a deep alignment with the values and culture of the organization. Our compensation and benefits packages are designed to remain competitive within the microfinance industry and are closely tied to both qualitative and quantitative performance metrics. Through a goal-driven culture and robust incentive programs, we have cultivated a motivated workforce that focuses on delivering superior customer service, building lasting client relationships, improving profitability, and enhancing operational efficiency.

To reinforce employee performance and identify areas for improvement, we have established a structured review and feedback system. Performance-based incentives are aligned with individual evaluations and prevailing market dynamics. We maintain a positive and collaborative work environment and have not encountered any major employee relations issues.

At the entry level, we give preference to hiring Field Development Assistants from local communities, supporting grassroots employment and ensuring familiarity with the operational terrain. These recruits undergo in-depth in-house training tailored to their assigned geographies. Other field-level roles are filled through internal transfers, job rotations, and promotions, thereby offering career mobility while enhancing organizational capability. This approach contributes meaningfully to rural employment and economic inclusion in the regions we serve. Comprehensive induction programs, delivered both in person and online, cover our policies, operational processes, sector-specific regulatory frameworks, and essential soft skills requirements.

As of March 31, 2025, our total workforce strength stood at 17,506 across India.

Training and Development

We are committed to continuous learning and capability building through engaging e-learning solutions. Our digital learning ecosystem, accessible to all employees via MADU, includes a vast digital library of books, study materials, interactive video tutorials, and learning sessions. Additionally, we provide opportunities for higher education and professional development, enabling employees to enhance their skills and assume greater responsibilities within the organization.

Board's Report

Dear Members,

Your Board of Directors have immense pleasure in presenting the 18th Annual Report of Asirvad Micro Finance Limited ("Company"), together with the Audited Financial Statements for the year ended March 31, 2025.

FINANCIAL HIGHLIGHTS AND STATE OF AFFAIRS

(₹ In Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Gross Income	2,734.39	2,731.94
Total	3,545.40	2,110.31
Profit/Loss before Tax	**-811.01**	**621.63**
Tax Expenses net of Deferred tax	-172.29	163.33
Profit/Loss after Tax	**-638.72**	**458.30**
Appropriations		
Transfer to Statutory Reserve	-	91.66
Surplus in Profit & Loss	258.24	896.95

During the financial year ended March 31, 2025, your Company recorded a turnover of ₹ 2,705.43 Crores as compared to the turnover of ₹ 2,681.31 Crores recorded during the previous financial year ended March 31, 2024. Revenue from operations for the year ended March 31, 2025, has increased by 0.90 % as compared to the period ended March 31, 2024. The net loss of your Company for the financial year ended March 31, 2025, stood at ₹ 638.72 Crores as against the Net Profit of ₹ 458.30 Crores for the financial year ended March 31, 2024. The profit before tax for the financial year ended March 31, 2025, reflects a decline of 230.46% as compared to the profit for the financial year ended March 31, 2024.

OPERATIONAL HIGHLIGHTS

MFI

Particulars	Financial Year 2025	Financial Year 2024	Change (%)
Number of Pure Branches	1,243*	1,206	3.07%
Number of Active Members	34,92,160	39,11,494	-10.72%
Gross Loan Portfolio (Rs in Crore)	7,206.65	10,938.94	-34.12%
Total Disbursement (Rs in Crore)	4,583	9,322	-50.83%
No. of States (in Operation including UTs)	25	25	0.00%

** Additionally, MFI business is also done through 369 hybrid branches (364 GL and 5 MSME).*

Gold Loan

Particulars	Financial Year 2025	Financial Year 2024	Change (%)
Number of Branches	520*	520	0%
Gross Loan Portfolio (Rs in Crore)	928.38	889.68	4.35%
Total Disbursement (Rs in Crore)**	10,877	15,300	-29%
No. of States (In Operation including UTs)	15	15	0%

** The total number of Gold Loan branches includes 366 hybrid branches (364 MFI and 2 MSME)*

*** Including repledge*

MSME

Particulars	Financial Year 2025	Financial Year 2024	Change (%)
Number of Branches	27*	24	12.5%
AUM (Rs in Crore)	53.76	51.92	3.54%
No. of States (in Operation)	9	10	-10%

** Out of the 27 MSME branches, 7 are hybrid branches (5 MFI and 2 Gold Loan), and 6 are co-located with MAFIL.*

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

TRANSFER TO RESERVE

As per the extant guidelines of Reserve Bank of India for NBFCs, since the Company has reported loss for the financial year ended March 31, 2025, no amount is transferred to the Statutory Reserve created under Section 45-IC of the Reserve Bank of India Act, 1934.

DEBENTURE REDEMPTION RESERVE

Pursuant to notification issued by Ministry of Corporate Affairs on August 16, 2019 in exercise of the powers conferred by sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government amended the Companies (Share Capital and Debentures) Rules, 2014.

In the principal rules, in rule 18, for sub-rule (7), the limits with respect to adequacy of Debenture Redemption Reserve and investment or deposits for the Company is not applicable, as Debenture Redemption Reserve is not required to be maintained in case of privately placed debentures for NBFCs registered with Reserve Bank of India under section 45-IA of the RBI Act, 1934.

DIVIDEND

The Board of Directors has not recommended any dividend for the Financial Year 2024-25.

Transfer to Investor Education and Protection Fund

During the period, the Company does not have any amount due to be credited to the Investor Education and Protection Fund as provided in the provisions of Section 125 of the Companies Act, 2013.

DEPOSITS

The Company is registered with Reserve Bank of India (RBI) as Non-Deposit Accepting NBFC under Section 45-IA of the RBI Act, 1934 and classified as NBFC-MFI, effective from October 04, 2013. The Board of Directors hereby confirm that the Company has not accepted any from the public within the meaning of provisions of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 or any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, necessary documents have already been submitted before the Reserve Bank of India in this regard.

RESOURCES

The Company as an NBFC, mobilisation of resources at optimal cost and its deployment in the most profitable and secured manner constitutes the two important functions of the Company.

Management has been making continuous efforts to broaden the resource base of the Company to maintain its competitive edge.

Your directors are confident that the Company will be able to raise adequate resources for onward lending in line with its business plans.

TOTAL BORROWINGS

The Company's overall borrowing as on March 31, 2025, was ₹ 6,938.20 Crores.

i) Non-Convertible Debentures (Excluding subordinated debt)

During the year under review, your Company did not raise any funds through issue of Non-Convertible Debentures (NCDs) on private placement basis and outstanding NCDs as on March 31, 2025, was ₹ 24.86 Crores.

ii) Subordinated Debt

During the year, your company did not raise any funds through issuance of Subordinated Debt on a private placement basis and the outstanding Subordinated Debt as on March 31, 2025 was ₹ 649.59 Crores.

iii) Commercial Paper

During the year, the Company did not raise funds through Commercial Paper.

iv) External Commercial Borrowings

In the financial year ended March 31, 2025, the Company did not raise any funds through External Commercial Borrowing. The outstanding ECB as on March 31, 2025, was ₹ 76.01 Crores.

SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Venture and Associate Company during the Financial Year under review in terms of Companies Act, 2013 ("Act").

Further, the Company continues to remain the subsidiary of Manappuram Finance Limited, which holds 19,54,85,619 Equity Shares of ₹ 10/- each aggregating to ₹ 1,95,48,56,190/- constituting 97.60% of the Share Capital of the Company as on March 31, 2025.

CREDIT RATING

CARE has maintained the grading of your Company to "MFI 1", the highest in the industry.

The Company has debt credit ratings as follows:

Credit Rating Agency	Instrument	Rating
CRISIL	Bank Loan	CRISIL AA-/Stable
CRISIL	Long term -NCD	CRISIL AA-/Stable
CRISIL	Long term subdebt	CRISIL AA-/Stable
CRISIL	Commercial Paper	CRISIL A1+
CRISIL	Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA- / Stable

CAPITAL ADEQUACY

Your Company being a Middle Layer NBFC as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 is subject to the capital adequacy requirements prescribed by the Reserve Bank of India. The Company was required to maintain a minimum Capital to Risk Asset Ratio (CRAR) of 15% as prescribed under the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as amended from time to time) based on total capital to risk weighted assets. As of March 31, 2025, the Company's total Capital Adequacy Ratio (CAR) stood at 20.93 % which is above the regulatory minimum of 15%.

Out of the above, Tier I capital adequacy ratio stood at 15.83% and Tier II capital adequacy ratio stood at 5.10 %.

SHARE CAPITAL

During the year under review, there was no change in the Authorised Capital as well as Paid up Capital of the Company and the same stood at ₹ 300 Crores and ₹ 200.28 Crores, respectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of Loans, Guarantees/Investments are detailed in the Financial Statements. Kindly refer Note 7(a) & 8.

RELATED PARTY TRANSACTIONS

Contracts/ arrangements/ transactions entered by the Company during the FY 2024-25 with related parties under Section 188 of the Act were in ordinary course of business and on arm's length basis. The particulars of contracts/ arrangements with related parties under Section 188 in Form AOC-2 is annexed with this report as "Annexure-A". Necessary disclosures as required in compliance with accounting standards with related parties are disclosed in notes forming part of the financial statements in the annual report.

Board of Directors has formulated a Policy on Related Party Transaction, which is available on the website of the Company at https://asirvadmicrofinance.co.in/wp-content/uploads/2025/03/RPT%20Policy.pdf and the same is also annexed to this report as **"Annexure–B"**.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis report for the year under review is attached as a separate annexure forming part of the Annual Report.

EXTRACT OF ANNUAL RETURN

Annual return in Form-MGT-07 has been posted on the website. The link of the same is https://asirvadmicrofinance.co.in/annual-return-as-provided-under-section-92-of-the-companies-act-2013-and-the-rules-made-thereunder/

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE REPORT

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

However, it is pertinent to note that our holding company, i.e., Manappuram Finance Limited **("MFL")** has entered into definitive documents dated March 20, 2025 with BC Asia Investments XXV Limited **("Investor 1")**, BC Asia Investments XIV Limited ("Investor 2" and together with Investor 1, **"Bain Capital"**), and the existing promoters of MFL (including V.P. Nandakumar and Sushama Nandakumar), in relation to issue of equity shares and warrants of MFL to Investor 1 and Investor 2, respectively, by way of preferential issue on a private placement basis in accordance with applicable laws. Pursuant to the execution of the definitive documents, Bain Capital will be required to make a mandatory open offer to the public shareholders of MFL pursuant to and in compliance with applicable laws.

Upon closing of the transaction, Bain Capital will acquire and exercise control over MFL and be classified as 'promoter' of MFL, along with the existing promoters (i.e., V.P. Nandakumar and Sushama Nandakumar). The above transaction will have a positive impact on the financials and business of MFL's subsidiaries (including AMFL). The proposed transaction is not expected to have any adverse implications on the financials / credit quality of AMFL.

RBI REGULATIONS

Your Company strives to comply with all the regulatory provisions of the Reserve Bank of India applicable to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. Constitution of Statutory committees are in compliance with the corporate governance provisions as specified in the master direction issued by the Reserve Bank of India.

The Board would like to draw attention to a cease and desist order that was served on the Company on October 17, 2024, directing to cease and desist from sanction or disbursal of loans . The contents of the order have been elaborated in a subsequent section of this report under the heading **"Regulatory Actions during the Financial Year 2024-25"**

The Company under the oversight of the Board has taken adequate remedial steps to address the deficiencies pointed out in the order and the restrictions were lifted on January 08, 2025.

The Board continues to exercise active oversight on these matters.

CORPORATE GOVERNANCE REPORT

Your Company has framed an Internal Guidelines on Corporate Governance, in compliance with the Directions issued by RBI for NBFCs. The Company has put in place various policies, systems and processes to achieve transparency, business ethics and compliance with applicable laws.

A Complete Report on Corporate Governance is attached as **"Annexure–C"** forming part of the Director's Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2025, the Company has eleven Directors, which comprises of one Executive (Managing Director), and ten Non-Executive Directors (including two Women Directors). The company has seven Independent Directors (including two Women Independent Directors). Your Company believes that a well-structured Board initiate better practices and governance based on the vast knowledge and experience of the Board Members.

In the Annual General Meeting dated September 30, 2024, members approved appointment of Mr. Gautam Rathindranath Saigal (holding DIN: 00640229) who retires by rotation and being eligible, offered himself for re-appointment as Non-Executive Non- Independent Director of the Company and re-appointment of Mr. Abhijit Sen (DIN: 00002593) as Independent Director of the Company for a second term of 5 consecutive years with effect from August 25, 2025 to August 24, 2030.

In the opinion of the Board of Directors, the Independent Directors on the Board are persons of integrity and possess the relevant expertise & experience. Further, all the Independent Directors are registered in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in compliance with Section 150 of the Companies Act, 2013 and have either qualified the online proficiency self-assessment test or are exempted.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2025, are:

- Mr. B N Raveendra Babu, Managing Director; (DIN: 00043622)
- Mr. Rajesh KRN Namboodiripad, Chief Financial Officer; and
- Ms. Aparna Menon, Company Secretary

Change in Key Managerial Personnel

- Mr. Satish Nair, President & Chief Executive Officer (CEO) (from June 03, 2024 to July 27, 2024)

Director Retiring By Rotation

Mr. S.V. Raja Vaidyanathan (DIN: 01467098), Director is liable to retire by rotation in terms of provisions of the Companies Act, 2013 at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment. The Board recommended his reappointment in its meeting held on May 06, 2025.

End of Tenure of Managing Director

The tenure of Mr. B N Raveendra Babu, Managing Director is ending on June 01, 2025. The Board of Directors are actively working on the succession planning.

The Board wishes to acknowledge Mr. B.N. Raveendra Babus's leadership during a difficult period and wishes him well.

The Board of Directors have appointed Mr. Roy Varghese as the Chief Executive Officer of the Company w.e.f June 01, 2025.

Brief Profile of Mr. Roy Varghese

With more than 33 years of extensive experience in the banking sector, Mr. Roy has developed expertise in Retail Banking, Corporate Banking, Foreign Exchange, and Financial Inclusion. His professional strengths include branch banking, business development, underwriting, risk management, product innovation, microfinance, agricultural loans, and financing small business enterprises. Before joining Asirvad, Dr. Roy held significant leadership roles in prominent banking institutions such as NMGB, IDBI Bank, Axis Bank, Jana Small Finance Bank, and CSB Bank Ltd. At CSB Bank, as Senior Executive Vice President, he led the Agriculture and Financial Inclusion Division, where he played a pivotal role in establishing and expanding the bank's outreach and diversifying its services. At Jana Small Finance Bank, he served as Vice President and Head- Agri & Gold Loan business, driving the growth of rural financial services.

DECLARATION FROM INDEPENDENT DIRECTORS

Your Company has received necessary declarations from all Independent Directors of the Company confirming that they meet criteria as mentioned in Section 149 of the Act and SEBI LODR.

Your Company has also received undertaking and declaration from each director on fit and proper criteria in terms of the provisions of Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

INDEPENDENT DIRECTOR'S MEETING

During the year, the separate meeting of Independent Directors was held on March 17, 2025, as required under Companies Act, 2013 and in compliance with the requirement under Schedule IV of the Act to consider the matters specified therein.

RISK MANAGEMENT

The Company has a Board approved Enterprise Risk Management Policy which caters to the overall risk framework and monitoring, commensurate with the size and operations of the Company, which is being updated as per the requirements and directions of the Regulators.

Risk management is integral to our business and as a lending institution, we face financial and non-financial risks. We have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external risks. We conduct regular training of our staff members with respect to risk-related matters, as part of our risk management process.

The risks we face in our business are market risk, interest rate risk, credit risk, liquidity risk, operational risk, IT risk, reputation risk, cash management risk, collateral risk and legal risk, among others.

Our Board of Directors and various Board Committees, including the Risk Management Committee, review our internal policies and procedures, including our risk management policies from time to time. We also depend on our information technology systems to assist us with our risk management functions and carry out periodic IT audits to identify risk areas.

We continue to focus on risk management, on ground audit, vigilance checks and crisis-tested collection capabilities, leading to healthy asset quality.

As a middle layer NBFC under the RBI's scale-based regulations, we are governed by and closely follow RBIs risk management framework. Our risk management division is divided into separate teams that are dedicated to managing and mitigating credit risk, market risk and operational risk, and which are subject to oversight by our vigilance department and Audit Committee and our Board. Our Risk Management Committee periodically reviews current and emerging risks, including regulatory, information technology, Cyber security, liquidity and other risks as stipulated under our risk management framework and suggests requisite risk assessment procedures and measurement of systems, establishes policies, practices and other control mechanisms to manage risks and develop risk tolerance limits.

We assess risk at both macro and micro levels on a continuous basis. Our macro-level risk mitigation measures include detailed geographical exposure limits to limit regional asset concentration and local adversities.

At an operational level, our risk management approach starts with selection of lower risk business destinations and opening of branch offices based on industry and peer comparison data at an industry level. We have adopted pre-defined policies and systems, which cover selection of borrowers, determination of group size, sanctioning ticket size based on borrower profile, selection of teams and adequate training to employees and borrowers, creating the next level of risk management and control.

Detailed monitoring of collections data forms the bedrock of our risk management at the borrower level. Online data support on real-time basis allows us to identify early delinquent risks within groups and borrowers. Specific identification and risk profiling of delinquent borrowers forms the next level of our risk management.

Based on the data collected, our branches are categorised into various categories of risk based on employee behaviour pattern, collections, delinquencies, among others, with higher risk branches being subject to greater supervision and monitoring.

From onboarding through disbursement and even thereafter, we have audit and diligence oversight across branches. All branches are audited on a periodical basis with higher risk branches being audited with higher frequency and for longer durations. Further, there is an independent vigilance team which oversees the function of the audit personnel and reports directly to our Managing Director.

For the governance of our risk management functions, we have a Risk Management Committee, most of whose members are Independent Directors. The Chief Risk Officer reports operationally to the Risk Management Committee and administratively, to our Managing Director. The Risk Management Committee meets periodically for governance and monitoring of the overall risk of our Company. We have set out clear policies and guidelines to support our risk management at every stage, including our credit risk management policy, asset liability management policy, fair practice code, KYC/ AML guidelines, outsourcing policy and information security policy, as well as our policy on exposure limits.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) activities have been undertaken by the Company in accordance with the CSR Policy of the Company as formulated by the Board of Directors on the recommendation of the CSR Committee in pursuance to Section 135 of the Companies Act.

For detailed information regarding CSR Committee, refer the Corporate Governance Report. Further, CSR Annual Report is attached herewith as **"Annexure-D"**, which forms an integral part of this report. The Company's CSR policy is committed towards CSR activities as envisaged in Schedule VII of the Companies Act, 2013.

Salient Features of the CSR Policy is as below:

- **Objective:** The objective of the Corporate Social Responsibility is to benefit the society by improving the quality of the individual, their families, local community at large. Serving the needy people is the top priority of Asirvad Micro Finance Limited ("AMFL/ The Company"). The Company already engages in improving the life of the poor or needy people by providing micro finance business. The Company's vision to benefit the under privileged does not end with that. The Company through CSR activities intends to participate in the overall development of the society.

- **Ethics, Transparency & Accountability:** The Company is committed to maintain ethical value, transparency and accountability. Further, the Company will not engage in the business practices that are abusive, unfair and corrupt.

- **CSR Activities:** As part of the CSR, the company is presently engaged in several projects which are socially relevant and demanding in the locality surrounding its corporate office area and other locations where the company has branches or other place of business. The company may continue to undertake / fund project, programs or activities of the following nature and also undertake such other activities as may be approved by the board as is falling under schedule VII of the Act 2013.

During the financial year 2024-25, the CSR Policy was reviewed to ensure all statutory provisions are covered.

The CSR policy is available on :

https://asirvadmicrofinance.co.in/wp-content/uploads/2024/09/CSR%20Policy.pdf

AUDITORS

Statutory Auditors & their Report

At the 17th AGM held on September 30, 2024, the Members approved the appointment of A John Moris & Co, Chartered Accountants (Firm Registration No.007220S) as Statutory Auditors of the Company to hold office for a period of three years from the conclusion of that AGM till the conclusion of the 20th AGM to be held in the year 2027.

The Statutory Auditor's Report on Financial Statements for the year ended March 31, 2025, does not contain any qualification, reservation, or adverse remarks.

Secretarial Auditor & their Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board at its meeting held on May 06, 2024, appointed KSR & CO Company Secretaries LLP as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year ended March 31, 2025.

The Secretarial Audit Report as received in the prescribed Form No.MR-3, do not contain qualification, reservation, or adverse remarks. The Secretarial Audit Report for the Financial Year 2024-25 is appended as **"Annexure- E"** to this report.

Annual Secretarial Compliance Report

The Annual Secretarial Compliance Report issued by KSR & Co, Company Secretaries LLP has been submitted to the stock exchanges.

NON-APPLICABILITY OF MAINTENANCE OF COST RECORDS

The provisions of Section 148 of the Companies Act, 2013 and rules framed thereunder pertaining to maintenance of cost records as well as cost audit are not applicable to the Company.

FRAUDS REPORTED BY AUDITORS

Pursuant to sub-section 12 of Section 143 of the Act, the Statutory Auditors and the Secretarial Auditors of the Company have not reported any instances of material frauds committed in the Company by its officers or employees, except a few instances which are duly identified by the Company as detailed in note number 47 to the Financial Statements.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors confirm that:

i. In the preparation of the Annual Accounts for the year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025, and of the profit and loss of the Company for that period.

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They have prepared the annual accounts on a going concern basis and

v. They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of the Company has met 15 (fifteen) times during the year under review. For details regarding the said meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

ANNUAL PERFORMANCE EVALUATION

The criteria to evaluate the performance of the Board, its committees and individual directors is being placed in NRC committee/Board every year. In accordance with the criteria specified by the Board, the process of annual evaluation has been designed.

The evaluation of all the Directors, Committees, Chairman of the Board, and the Board as a whole, was conducted based on the criteria and framework adopted by the Board.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has adopted a policy on director's appointment and remuneration for directors, key managerial personnel and other employees including criteria for determining qualification, positive attributes, independence etc. as laid down by the Nomination and Remuneration Committee of the Board in compliance with the provisions of Section 178 of the Act. The policy can be viewed at https://asirvadmicrofinance.co.in/wp-content/uploads/2025/03/NRC%20Policy.pdf .

The policy of Nomination and Remuneration Policy is attached as **"Annexure–F"** forming part of the Director's Report.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has put in place adequate policies and procedures to ensure that the system of internal financial control is commensurate with the size and nature of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with company's policies.

Additionally, our internal audit process conducts an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis to ensure that business units adhere to our policies, compliance requirements and internal guidelines. We maintain an internal control framework which we view as an essential prerequisite for the growth of business. We have well documented policies, procedures and authorization guidelines that are commensurate with our size.

The scope of annual internal audit is finalised by the management and approved by our Audit Committee. While our internal audit is conducted based on our risk-based audit plan, we classify our branches based on risk profile. For other functions, based on the risk perception, the areas which need to be audited, and which require more attention are determined. We determine a risk matrix after assessing inherent business risk and control risk.

The reports generated by the internal audit team and any external audit firm appointed, are presented to our Audit Committee on a quarterly basis. The internal audit team is also responsible for ensuring timely closure of the observations noted in internal audit reports and brings open observations beyond due date to the attention of our senior management.

The internal audit activity is conducted with systematic accountability for confidentiality and safeguarding records and information. The head of internal audit is responsible for managing IT audits, administrative functions, and audits of our loans business. There are internal auditors who are engaged in the audit of our microfinance loan, loan against Gold and MSME Loan portfolios.

Furthermore, during the Financial Year 2024-25, Deloitte Touche Tohmatsu India LLP was the consultant supporting the Internal Audit function of the Company and the report of the said auditor along with the management responses were also placed before the Audit Committee periodically.

DETAILS OF AUCTIONS HELD DURING THE YEAR 2024-25

Additional disclosures as required by Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023:

(Amount in Lakhs)

Year	Number of Loan Accounts	Principal Amount O/S at the date of Auctions (A)	Interest Amount O/S at the date of Auctions (B)	Total (A+B)	Value Fetched
Financial Year 2024-2025	2076	1,171.70	633.41	1,805.11	1,604.60

Note: No sister concern participated in the auctions during the year ended on March 31, 2025.

DEMATERIALISATION OF SHARES

As on March 31, 2025, all the shares held by the shareholders are in Demat form.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors of the Company had approved the Policy on Vigil Mechanism/Whistle Blower to deal with instance of fraud and mismanagement, if any and the same is also available on the website of the Company and can be accessed at https://asirvadmicrofinance.co.in/wp-content/uploads/2024/09/Policy%20on%20Vigil%20(Whistle%20Blower)%20Mechanism.pdf.

This Policy inter-alia provides direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/ Employee has been denied access to the Chairman of the Audit Committee and that 2 complaints were received during the year.

FAIR PRACTICE CODE

The Company has in place a Fair Practices Code ("FPC") as approved by the Board, in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers enabling them to take informed decisions. The FPC is available on the website of the Company at https://asirvadmicrofinance.co.in/fair-practice-code-policy/

DETAILS OF THE EMPLOYEES STOCK OPTION SCHEME IN TERMS OF RULE 12 (9) OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014

The Company has granted the options under "Asirvad Employee Stock Option Scheme, 2019" and all options granted under this scheme have lapsed and necessary disclosures are made in **"Annexure-G"** of this report.

ENERGY CONSERVATION, TECHNOLOGY ABSORBTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (accounts) Rules, 2014, is disclosed in **"Annexure–H"** as attached with this report.

SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the applicable Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India.

COMPOSITION OF COMMITTEES

The Composition of Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship And Customer Service Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee, IT Strategy Committee, Borrowing & Securities Allotment Committee and Management Committee are detailed in the Corporate Governance Report.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company is dedicated to fostering a workplace environment that promotes fairness, safety, and respectful relationships across all its locations. We are committed to maintaining the dignity of every employee, regardless of gender or position. Any form of discrimination or harassment is strictly prohibited.

The Company has constituted Internal Complaint Committee (ICC) in line with requirement of the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder.

Your Company is also having in place a detailed Policy on Prevention of Sexual Harassment of Women at Workplace, which is formed in order to provide an environment where women can work or interact with dignity and expect protection against sexual harassment.

The following is the summary of sexual harassment complaints received and disposed off during the year:

1.	No. of complaints received during the year	2
2.	No. of complaints disposed off	3
3.	No. of Complaints pending at the year-end	Nil

All Employees (Permanent, Contractual, Temporary, Trainees etc.) are covered under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

OTHER DISCLOSURES AND AFFIRMATIONS

The Company affirms that for the year ended on March 31, 2025:

- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- The Company has not issued any Sweat Equity Shares
- The Company has not resorted to any buy back of its equity shares.
- The Company has neither filed any application nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one-time settlement with any bank or financial institution.

REGULATORY ACTIONS DURING THE FINANCIAL YEAR 2024-25

1. Cease and desist from sanction or disbursal of loans

   The Reserve Bank of India in exercise of its power under Section 45L(1)(b) of the Reserve Bank of India, 1934 directed the company to cease and desist from sanction or disbursal of loans effective from the close of business on October 21, 2024 , till the company's pricing policy , risk management processes and customer service aspects were suitably remediated and the deficiencies highlighted thus far were rectified to the satisfaction of RBI.

   Subsequently, based on the submissions made by the company and post special inspection by RBI, 'Cease and Desist Order' was lifted on January 8, 2025.

2. The Reserve Bank of India imposed an aggregate monetary penalty of ₹6.20 lakh (Rupees Six Lakh Twenty Thousand only) on February 21, 2025. This penalty was levied for non-compliance with certain RBI directions, specifically regarding

   i. Non-compliance with the Bank's directions on submission of information regarding household income to Credit information Companies.

   ii. Non-compliance with obligations of a household.

iii. Non-compliance with the Bank's directions on standardized simplified factsheet

iv. Failure to comply with the Bank's directions on digital lending

v. Failure to comply with the Bank's directions on Internal Ombudsman (IO)

3. During the financial year, the Company received a Show Cause Notice from SEBI dated September 03, 2024 ("SCN"), regarding certain matters w.r.t Non-Convertible Debentures ("NCDs") issued under ISIN: INE516Q08281. The Company filed a detailed reply to this SCN. This matter is pending. The NCDs were redeemed on March 12, 2024.

CERTIFICATE ON CORPORATE GOVERNANCE

Certificate provided by KSR & Co. Company Secretaries LLP, towards compliance of the provisions of Corporate Governance, forms an integral part of this Report and is given as "Annexure-I".

PARTICULARS OF EMPLOYEES

The Company had 17,506 employees as on March 31, 2025.

DETAILS OF REMUNERATION/ COMMISSION RECEIVED BY MANAGING DIRECTOR FROM SUBSIDIARIES

Asirvad has no subsidiary during financial year 2024-25. Further, Mr. B N Raveendra Babu (DIN- 00043622), Managing Director of the Company has not received any remuneration/ commission from the Parent Company- Manappuram Finance Limited.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

No company became or ceased to be subsidiary or joint venture or associate company of Asirvad Micro Finance Limited during the Financial Year 2024-25.

IDENTIFICATION OF PROMOTER

As on March 31, 2025, Manappuram Finance Limited and Mr. V. P. Nandakumar are categorised as the promoters of the Company.

DRAFT RED HERRING PROSPECTUS

Your Company had filed the DRHP dated October 4, 2023 on October 5, 2023 and Addendum to the DRHP on February 15, 2024, with SEBI and the Stock Exchanges including BSE Limited. However, the Board of Directors has decided to withdraw the DRHP and Addendum to the DRHP due to uncertain market conditions, pursuant to its resolution dated March 20, 2025. We have accordingly withdrawn the DRHP and Addendum to the DRHP filed with SEBI.

CHANGE IN NATURE OF BUSINESS IF ANY

There has been no change in the nature of business during the financial year 2024-25.

ACKNOWLEDGEMENT

The Directors would like to express their sincere gratitude for the valuable support and cooperation provided by Shareholders, Debenture Holders, Debenture Trustees, The Reserve Bank Of India, The Registrar of Companies, The Securities And Exchange Board of India, BSE Limited, Bankers, Financial Institutions, Business Associates, Government Authorities, Sa-Dhan, MFIN, Customers, Vendors, and all other Stakeholders throughout the year.

We also appreciate the unwavering trust and confidence demonstrated by the promoters of the Company.

Furthermore, the Directors extend their heartfelt thanks to all employees for their ongoing dedication, commitment, and tireless efforts, during the challenging financial year 2025.

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V. P. Nandakumar
Chairman
DIN: 00044512

B. N. Raveendra Babu
Managing Director
DIN: 00043622

Date: May 08, 2025
Place: Valapad

Annexure–A

Form No. AOC-2

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

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

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

   There were no contracts or arrangements or transactions entered into by the Company during the financial year 2024-25 which were not at arm's length basis.

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

   There were no material contracts or arrangement or transactions entered into by the Company during the financial year 2024-25.

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V. P. Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 08, 2025
Place: Valapad

Annexure–B

RELATED PARTY TRANSACTIONS POLICY

1. Preamble

The Related Party Transactions **(RPTs)** Policy provides a framework to regulate transactions between Asirvad Micro Finance Limited ("Company/AMFL") and its Related Parties based on the applicable laws and regulations applicable on the Company.

2. Definitions

"Audit Committee" or **"the Committee"** means the committee of Board of Directors of the Company constituted under the provisions of Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI Listing Regulations') read with Section 177 of the Companies Act, 2013;

"MAFIL" means Manappuram Finance Limited, which is the Holding Company of AMFL.

"Material Related Party Transactions" means a transaction with a Related Party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company or ₹ 1,000 Crores, whichever is less;

Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

"Related Party" means related party as defined in Regulation 2(1)(zb) of the SEBI Listing Regulations, which inter alia provides that a "related party" means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards[1].

Provided that:

i. any person or entity forming part of the promoter or promoter group of the Company; or

ii. any person or entity holding equity shares of 20% or more, (10% or more with effect from April 01, 2023) in the Company, either directly or indirectly or on a beneficial interest basis (as per Section 89 of the Companies Act, 2013) at any time during the immediate preceding financial year.

shall be deemed to be a related party.

"Related Party Transaction" means related party transaction as defined under Regulation 2(1)(zc) of the SEBI Listing Regulations;

"Relative" as defined under sub-section (77) of section 2 of the Companies Act, 2013 and rules prescribed there under.

"Senior Management" shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the company.

All other words and expressions used but not defined in this policy, defined in Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, and SEBI Listing Regulations and IndAS 24 shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case maybe.

1 Applicable Accounting Standard is IndAS 24

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity'). (a) A person or a close member of that person's family is related to a reporting entity if that person: (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to a reporting entity if any of the following conditions applies: (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others). (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member). (iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity. (vi) The entity is controlled or jointly controlled by a person identified in (a). (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity). (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3. Policy

All Related Party Transactions shall require prior approval of the Audit Committee comprising of a quorum of only Independent Directors being members of the said Committee approving the same. Such approval shall be only at a meeting of the Audit Committee and not by circulation.

All proposed Related Party Transactions and subsequent material modification of such Related Party Transaction must be presented before the Audit Committee for prior approval by the Independent Directors of the Committee.

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant omnibus approval.

The Company Secretary shall be responsible for implementation of the Policy.

4. Transactions that are considered as Related Party Transactions

Following types of the transactions considered as related party as per section 188 of Companies Act 2013:

(a) Sale, purchase or supply of any goods or materials;

(b) selling or otherwise disposing of, or buying, property of any kind;

(c) leasing of property of any kind;

(d) availing or rendering of any services;

(e) appointment of any agent for purchase or sale of goods, materials, services or property;

(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(g) underwriting the subscription of any securities or derivatives thereof, of the company.

Types of the transactions considered as related party transaction as per Regulation 2(1)(zc) of SEBI Listing Regulations.

a) A transaction involving a transfer of resources, services or obligations between:

(i) A listed entity or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand; or

(ii) A listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries with effect from April 01, 2023;

regardless of whether a price is charged and a transaction with a related party shall be construed to include a single transaction or group of transactions in a contract.

As per Ind AS-24, of the Companies (Indian Accounting Standards) Rules, 2015 following are examples of transactions that are disclosed if they are with a related party:

(a) Purchases or sales of goods (finished or unfinished);

(b) Purchases or sales of property and other assets;

(c) Rendering or receiving of services;

(d) leases;

(e) Transfer of research and development;

(f) Transfer under license agreements;

(g) Transfer under finance arrangements (including loans and equity contribution in cash or in kind);

(h) Provision of Guarantees and Collaterals;

(i) Commitments to do something if a particular event occurs or not occur in the future, including executory contracts (recognized and unrecognized);

(j) Settlement of liabilities on behalf of the entity or by the entity on behalf of that related party;

(k) Management contracts including for deputation of employees.

Parties are considered to be related under Ind AS-24, if one party has the ability to control the other party or exercise significant influence over the other party, directly or indirectly, in making financial and/or operating decisions and includes the following:

1. A person or a close member of that person's family is related to a company if that person:

a. has control or joint control or significant influence over the Company; or

b. is a key management personnel of the Company or of a parent of the Company; or

2. An entity is related to a company if any of the following conditions applies:

a) The entity is a related party under Section 2(76) of the Companies Act, 2013; or

b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); or

c) Both entities are joint ventures of the same third party; or

d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity; or

e) The entity is controlled or jointly controlled by a person identified in (1); or

f) A person identified in (1)(b) has significant influence over the entity (or of a parent of the entity).

g) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

h) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

5. Transactions that are not considered as Related Party Transactions

The following transactions are not considered as Related Party Transactions:

a) The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

b) The Corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

(i) Payment of dividend;

(ii) Subdivision or consolidation of securities;

(iii) Issuance of securities by way of a rights issue or a bonus issue; and

(iv) Buy-back of securities.

6. Identification of Related Parties and Interested Director with respect to transactions

Every Director and Key Managerial Personnel will be responsible for providing a declaration in the format as per Form RPT (Annexure-1 to this Policy) to the Company Secretary on an annual basis.

Every Director and the Key Managerial Personnel will also be responsible to update the Company Secretary of any changes in details disclosed in form RPT.

7. Transactions and factors for consideration by the Committee in approving and recommending the proposed Related Party Transactions for approval by the Board of Directors

Transactions that require prior approval of Audit Committee of the Board

a) All Related Party Transactions and subsequent material modifications to such Related Party Transactions;

Transactions that require prior approval of Audit Committee of MAFIL:

a) Related Party Transactions to which AMFL is a party but MAFIL is not a party shall require prior approval of Audit Committee of MAFIL if the value of such transactions whether entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of MAFIL;

b) With effect from April 01, 2023, Related Party Transactions to which AMFL is a party but MAFIL is not a party shall require prior approval of Audit Committee of MAFIL if the value of such transactions whether entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual standalone turnover as per the last audited financial statements of AMFL;

Material Modification

Any material modification to the terms approved by the Audit Committee for the Related Party Transactions will require its prior approval. The following terms shall be considered as material terms in respect of every Related Party Transaction, except in case of financial transactions:

a. Substitution of the name of the Related Party arising due to succession, corporate re-structuring, acquisition etc.

b. Nature of goods or services

c. Total value of the Related Party Transaction

d. Period approved for Related Party Transaction

In respect of financial transactions like providing of loan, inter-corporate deposit:

a. Substitution of the name of the Related Party arising due to succession, corporate re-structuring, acquisition etc.

b. Quantum of loan or inter-corporate deposit.

c. Interest related terms including interest holiday, if any, security terms, if any

d. Period

e. Repayment terms

Information to be placed before Audit Committee:

The following information shall be placed before the Audit Committee of the Board of Directors to enable the independent directors who are members of the Audit Committee to consider and decide on the approval in respect of Related Party Transactions:

a. Type, material terms and particulars of the proposed transaction;

b. Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise);

c. Tenure of the proposed transaction (particular tenure shall be specified);

d. Value of the proposed transaction;

e. The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a Related Party Transaction involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);

f. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:

   i) details of the source of funds in connection with the proposed transaction;

   ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,

   - nature of indebtedness;
   - cost of funds; and
   - tenure;

   iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and

   iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transactions.

g. Justification as to why the Related Party Transaction is in the interest of the Company;

h. A copy of the valuation or other external party report, if any such report has been relied upon;

i. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed related party transaction, on a voluntary basis;

j. Any other information that may be relevant

With effect from April 01, 2025 the Company shall provide the Audit Committee with the information as specified in the Industry Standards on "Minimum information to be provided for review of the Audit Committee and shareholders for approval of a related party transaction", while placing any proposal for review and approval of a Related Party Transactions.

The Audit Committee of the Board shall also review the status of long-term (more than one year) or recurring related party transactions on an annual basis.

Factors to be considered by the Audit Committee

While considering any related party transaction, the Committee shall also take into account all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters as specified in the relevant applicable circulars issued by SEBI from time to time.

Prior to the approval, the Committee may, inter-alia, consider the following factors to the extent relevant to the transaction:

a) Whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis;

b) Whether the transaction could be material or significant by value;

c) The business reasons for the Company to enter into the Related Party Transaction and the nature of alternative options available, if any;

d) Whether the Related Party Transaction includes any potential reputational risks or misuse of corporate assets that may arise as a result of or in connection with the proposed Transaction; and

e) Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial interest or benefit to the Director, Key Managerial Personnel or other Related Party concerned, the direct or indirect nature of the Director's interest, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Committee deems relevant.

f) While considering the arm's length nature of the transaction, the Committee may take into account the facts and circumstances as were applicable at the time of entering into the transaction with the Related Party. The Committee may also take into consideration subsequent events (i.e., events after the initial transactions have commenced) like evolving business strategies / short term commercial decisions to improve / sustain market share, changing market dynamics, local competitive scenario, economic / regulatory conditions affecting the global / domestic industry, may impact profitability but may not have a bearing on the otherwise arm's length nature of the transaction.

A standard template w.r.t information to be placed before the Committee is part of this policy as Annexure-2.

Omnibus Approval

For granting omnibus approval, the committee shall specify the following details:

a) Name of the related party;

b) Nature of the transaction;

c) Period of the transaction;

d) Maximum amount of the transactions that can be entered into;

e) Indicative base price / current contracted price and formula for variation in price, if any;

f) Justification for the omnibus approval.

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction for the specific period approved.

The Audit Committee shall, review quarterly and take note of all Related Party Transactions for which omnibus approval has been granted by the Audit Committee.

The omnibus approval shall be valid for a period of one financial year, however subject to quarterly review and fresh approval shall be obtained after the expiry of one year.

8. Approval by the Board

If the Committee determines that a Related Party Transaction should be brought before the Board or a Related Party Transaction is not in the Ordinary Course of Business or not at Arms' Length or is a material related party transaction or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting.

The Board shall take note of all transactions approved by the Audit committee.

9. Approval by Shareholders

The Board of Directors of the Company shall mandatorily place before the members of the Company, all Material RPTs and obtain their approval prior to undertaking such transactions.

Except with the prior approval of the Shareholders by a resolution, a company shall not enter into any RPTs as mandated under Section 188 of Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and/or material related party transactions as stipulated in Regulation 23 of SEBI Listing Regulations.

In all cases, where shareholders' approval is necessary for any RPT, the Company Secretary shall ensure that the agenda of the Board meeting at which the resolution is proposed to be moved shall disclose-

a. All the information provided by the management of the Company to the Audit Committee;

b. Any other information that may be relevant.

The Company Secretary shall ensure that the explanatory statement to be annexed to the notice of a general meeting convened for obtaining approval of members in relation to the proposed RPTs shall contain the following particulars:

a) Summary of the information provided by the management of the Company to the Audit Committee;

b) Justification for why the proposed transaction is in the interest of the Company;

c) Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details placed before the Audit Committee

except the information on source of funds and cost of funds;

d) A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;

e) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;

f) Any other information that may be relevant.

With effect from April 01, 2025, the notice being sent to the shareholders seeking approval for any Related Party Transactions shall, in addition to the requirements under the Companies Act, 2013, include the information as part of the explanatory statement as specified in the Industry Standards on "Minimum information to be provided for review of the Audit Committee and shareholders for approval of a related party transaction."

The Board shall be ultimately responsible for seeking approvals from shareholders as per the requirements of Applicable Laws which may vary from time to time.

If the Company obtain omnibus shareholders' approval for material RPTs in a Annual General Meeting, the same shall be valid upto the date of the next AGM which is maximum for a period not exceeding fifteen months. In case of omnibus approvals for material RPTs, obtained from shareholders in extra ordinary general meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year.

Transactions that require prior approval of Shareholders of MAFIL:

Related Party Transactions to which AMFL is a party but MAFIL is not a party, shall require prior approval of shareholders of MAFIL, if transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of MAFIL as per the last audited financial statements of the company or ₹ 1,000 Crores, whichever is less.

10. Disclosure, recording and reporting of Related Party Transactions

a) Company shall disclose each year in the Audited Financial Statements transactions with Related Parties as prescribed in the applicable Accounting Standard as well as accounting policies governing transactions with Related Parties.

b) Disclosure in the Board's Report to the shareholders shall be made as prescribed under Companies Act, 2013/ SEBI Listing Regulations.

c) Company shall submit along with publication of half yearly financial results, disclosures of all RPTs, in the format specified by SEBI to the stock exchanges and publish the same on its website.

d) The Company Secretary shall make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

e) Details of all material transactions with related parties shall be disclosed in the Annual Report.

11. Policy on Loan and Advances to Directors as per RBI directives

In addition to the provisions of Companies Act 2013 and SEBI Listing Regulations, as per provisions of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ,

11.1 Loans and advances to Directors - Company shall not grant ₹ 5 Crores & above loans and advances unless sanctioned by the Board of Directors / Committee of Directors, to -

i) its directors (including the Chairman/ Managing Director) or relatives of directors.

ii) any firm in which any of its directors or their relatives is interested as a partner, manager, employee or guarantor.

iii) any company in which any of its directors, or their relatives is interested as a major shareholder, director, manager, employee or guarantor.

A director or his relatives shall be deemed to be interested in the company, being the subsidiary or holding company, if he is a major shareholder or is in control of the respective holding or subsidiary company.

The director who is directly or indirectly concerned or interested in any proposal should disclose the nature of his interest to the Board when any such proposal is discussed. He should recuse himself from the meeting unless his presence is required by the other directors for the purpose of eliciting information and the director so required to be present shall not vote on any such proposal.

The proposals for credit facilities of an amount less than ₹ 5 Crores may be sanctioned by the appropriate authority in the NBFC under powers vested in such authority but should be reported to the Board.

11.2 Loans and advances to Senior Officers – Company shall abide by the following when granting loans and advances to its senior officers:

i) Loans and advances sanctioned to senior officers shall be reported to the Board.

ii) No senior officer or any Committee comprising, inter alia, a senior officer as member, shall, while exercising powers of sanction of any credit facility, sanction any credit facility to a relative of that senior officer. Such a facility shall be sanctioned by the next higher sanctioning authority under the delegation of powers.

In respect of grant of loans and advances to directors / senior officers and their relatives:-

i) Company shall obtain a declaration from the borrower giving details of the relationship of the borrower to their directors/ senior officers for loans and advances aggregating ₹ 5 Crores & above. NBFCs shall recall the loan if it comes to their knowledge that the borrower has given a false declaration.

ii) Company shall disclose in Annual Financial Statement, aggregating amount of such sanctioned loans and advances.

The above norms relating to grant of loans and advances will equally apply to awarding of contracts.

The term 'loans and advances' will not include loans or advances against :-

a) Government securities

b) Life insurance policies

c) Fixed deposits

d) Stocks and shares

e) Housing loans, car advances, etc. granted to an employee of the NBFC under any scheme applicable generally to employees.

Provided that NBFC's interest/lien is appropriately marked with legal enforceability.

12. Dissemination of Policy

Either this Policy or the important provisions of this policy shall be disseminated to all functional and operational heads and other concerned persons of the Company and website of the Company and web link thereto shall be provided in the annual report of the Company.

13. Policy Review

Board shall review the overall policy once in three years and modify or update the same in accordance with the changes to the threshold limits or as may be required by the amendments to Applicable Laws.

Annexure-1

Form RPT

To,
The Company Secretary & Compliance Officer
Asirvad Micro Finance Limited
9th Floor, No.9, Club House Road
Anna Salai, Chennai,
Tamil Nadu, PIN - 600002

Dear Sir,

A. I, _____, S/o/W/o/D/o of _____, resident of ____, holding __ Shares (equity) of ₹ 10/- each as on 31/03/____ in the Company in my name, being a Director in the Company, hereby give notice that I am interested directly/through my Relatives (Schedule) in the following private company or companies or firms:

Sr. No.	Name of the Private Companies / Partnership Firms	Nature of Interest or concern / Change in Interest or Concern	Shareholding	Date on which Interest or Concern arose/changed

B. The following Public Companies in which I am a Director and holds along with my Relatives (Schedule) more than 2% of paid up share capital as on the end of this financial year:

Sr. No.	Name of the Public Companies holding more than 2% of paid up share capital	Shareholding	Date on which Interest or Concern arose/changed

C. The Following are the Bodies Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with any advice, directions or instructions of mine:

Sr. No.	Name of the Body Corporate

D. I am accustomed to act on the advice, directions or instructions of the following persons (other than advice, directions or instructions obtained in professional capacity).

Sr. No.	Name of the person	Relation

E. The following are Bodies Corporate or association of individuals in which I am or my Relatives (Schedule) interested as a Director of Body Corporate or Member of Association:

Sr. No.	Name of the Bodies Corporate / Association of Individuals	Nature of Interest or concern / Change in Interest	Date on which Interest or Concern arose / changed

Signature: _____

Name: _____

Designation: Director

DIN No: ____

Place: _____
Date: ___

Schedule to Form RPT

LIST OF RELATIVES

Sr. No.	Relationship	Full Name	Address	Shareholding in the Company
1	Spouse			
2	Father (including Step-Father)			
3	Mother (including Step-Mother)			
4	Son (including Step-son)			
5	Son's Wife			
6	Daughter			
7	Daughter's Husband			
8	Brother (Including Step-Brother)			
9	Sister (Including Step-Sister)			
10	Members of HUF			

Signature: _____

Name: _____

Designation: Director

DIN No: ____

Place: _____

Date: ___

Annexure-2

Disclosure to be placed before Audit Committee:

Sl. No.	Particulars	Information
1	Name of the Product/Service	
2	Name of the Related Party	
3	Relationship of Related Party with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	
4	Type/ Nature of the proposed transaction	
5	Material terms and particulars of the proposed transaction	
6	Tenure/ Term of the proposed transaction (particular tenure shall be specified)	
7	Value of the proposed transaction	
8	The percentage of the Company's turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	
9A.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company then source of funds in connection with the proposed transaction	
9B.	Where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments: • Nature of indebtedness • Cost of funds • tenure	
9C.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;	
9D.	Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	
10	Justification as to why the RPT is in the interest of the Company	
11	A copy of the valuation or other external party report, if any such report has been relied upon	
12	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis (If available)	
13	Brief details of the Arm's length test conducted	
14	Ordinary Course or not	
15	Necessity of entering into the transaction	
16	Does the transaction require prior approval of MAFIL Audit Committee a) Does it exceed 10% of consolidated turnover of MAFIL b) Does it exceed 10% of standalone turnover of AMFL	
17	Does the transaction require prior approval of MAFIL Shareholders	
18	Any other information that may be relevant	
19	Test for subsequent materiality of the transaction taken together with other transactions carried out in the Financial Year with the subject related party Value of all transactions entered in the current financial year Versus 10% of annual consolidated turnover	

Note:- With effect from April 01, 2025 the Company shall provide the Audit Committee with the information as specified in the Industry Standards on "Minimum information to be provided for review of the Audit Committee and shareholders for approval of a related party transaction", while placing any proposal for review and approval of a Related Party Transactions.

Annexure-C

Corporate Governance Report

Company's Philosophy on Code of Governance

A good Corporate Governance practice is a key factor of sustainable corporate growth and maintains a long-term relationship with the stakeholders of the Company. Asirvad Micro Finance limited **("Asirvad" or "Company")** is committed to the highest level of Corporate Governance practices and emphasizes the need for full transparency and accountability in all transactions, in order to protect the interests of its stakeholders.

Asirvad believes that a strong, professionally balanced Board of Directors is necessary to ensure the highest standards of Corporate Governance. The Board of Directors represents the shareholder's interest in perpetuating a successful business and optimizing long term financial returns in a manner consistent with applicable regulatory and legal requirements and ethical considerations.

Applicability of SEBI (Listing Regulations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR")

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, dated March 27, 2025, Asirvad Micro Finance Limited (AMFL) is not High Value Debt Listed Entities ("HVDLE"). Therefore, as on March 31, 2025, regulations 16 to 27 of SEBI (LODR) Regulations, 2015 and newly introduced Chapter VA-Corporate Governance norms for a Listed Entity which has listed its Non- Convertible Debt Securities is not applicable for AMFL.

For better governance, the company has continued to adhere to all the compliances for the period ended on March 31, 2025.

Additionally, the extant regulations and circulars of SEBI LODR pertaining to listed Non-Convertible Securities are applicable to the Company.

RBI Guidelines on Corporate Governance

In order to enable NBFCs to adopt best practices and greater transparency in their operations, RBI has stipulated all NBFCs to frame an internal guideline on Corporate Governance. In pursuance of the aforesaid guidelines, the Company has framed the Policy of Internal guidelines on Corporate Governance and reviews and updates the same periodically.

Company's Philosophy on Corporate Governance

In terms of corporate governance philosophy, all statutory and significant material information is placed before the Directors to enable them to effectively supervise the Company.

Asirvad 's Corporate Governance philosophy is based on the following principles:

- Compliance to law in both letter and spirit
- Utmost transparency in dealings with all the stakeholders
- Clear communication of relevant information and high degree of disclosure levels
- Make a clear distinction between personal conveniences and corporate resources
- Communicate externally, in a truthful manner, about how the Company is running internally
- Have a simple, transparent and efficient corporate structure driven solely by business needs
- Create value for all stakeholders without compromising on ethical principles.

Board of Directors

As on March 31, 2025, your Company's Board consists of 11 (Eleven) directors, out of which 10 directors are non-executive directors (including two women directors). The Board has seven Independent Directors (including two women directors). The composition of the Board is in conformity with the provisions of Companies Act, 2013 ("Act"), SEBI LODR and Reserve Bank of India.

The Board of Directors met fifteen times in the financial year 2024-25 on the following dates: April 25, 2024, May 06, 2024, May 22, 2024, June 27, 2024, July 16, 2024, July 26, 2024, August 27, 2024, October 18, 2024, October 23, 2024, October 29, 2024, October 30, 2024, November 13, 2024, November 22, 2024, February 06, 2025, March 15, 2025 and March 19, 2025 (Adjourned meeting of March 15, 2025).

Composition and Category of Directors as on March 31, 2025:

Name of Director	Director Since	DIN	Category and Designation	No of Shares
Mr. V P Nandakumar	12/02/2015	00044512	Promoter, Non- Executive, Non-Independent Director (Chairman)	7,78,209
Mr. Abhijit Sen	17/03/2020	00002593	Non- Executive, Independent Director	-
Ms. Anita Belani	13/01/2023	01532511	Non- Executive, Independent Director	-
Mr. B N Raveendra Babu	12/02/2015	00043622	Executive, Non-Independent, Managing Director	1,88,466
Mr. D R Dogra	09/09/2016	00226775	Non- Executive, Independent Director	89,472
Mr. Gautam Saigal	18/03/2015	00640229	Non- Executive, Non-Independent Director	1,54,005
Mr. Harshan Kollara	07/08/2021	01519810	Non- Executive, Independent Director	-
Ms. Pushya Sitaraman	02/02/2019	06537196	Non- Executive, Independent Director	-
Mr. S K Mitra	17/03/2020	00029961	Non- Executive, Independent Director	-
Mr. S V Raja Vaidyanathan	29/08/2007	01467098	Non- Executive, Non-Independent Director	33,59,202
Mr. T Balakrishnan	15/05/2018	00052922	Non- Executive, Independent Director	-

Attendance during the financial year 2024-25 of each Director at the Board Meetings as well as previous Annual General Meeting are as follows:

Sl. No.	Name of the Director	Category and Designation	Attended (Board meeting)	Attended last AGM held on September 30, 2024
1	Mr. V P Nandakumar	Promoter, Non- Executive, Non-Independent Director (Chairman)	15	YES
2	Mr. Abhijit Sen	Non- Executive, Independent Director	13	YES
3	Ms. Anita Belani	Non- Executive, Independent Director	9	YES
4	Mr. B N Raveendra Babu	Executive, Non-Independent, Managing Director	15	YES
5	Mr. D R Dogra	Non- Executive, Independent Director	14	YES
6	Mr. Gautam Saigal	Non- Executive, Non-Independent Director	14	YES
7	Mr. Harshan Kollara	Non- Executive, Independent Director	14	YES
8	Ms. Pushya Sitaraman	Non- Executive, Independent Director	13	YES
9	Mr. S K Mitra	Non- Executive, Independent Director	14	YES
10	Mr. S V Raja Vaidyanathan	Non- Executive, Non-Independent Director	14	YES
11	Mr. T Balakrishnan	Non- Executive, Independent Director	15	YES

Details of change in composition of the Board during the current (FY 2025) and previous financial year (FY 2024)

Sl. No.	Name of the Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter / Nominee/ Independent)	Nature of change (Resignation, Appointment)	Effective Date
1	Mr. T Balakrishnan (DIN: 00052922)	Independent & Non-Executive Director	Re-appointment	May 15, 2023
2	Mr. T M Manoharan (DIN: 00225640)	Independent & Non-Executive Director	Re-appointment	May 15, 2023
3	Mr. T M Manoharan (DIN: 00225640)	Independent & Non-Executive Director	Resignation*	July 15, 2023
4	Dr. Sumitha Nandan (DIN: 03625120)	Non-Executive and Non-Independent Director	Appointment as Additional Director	September 22, 2023
5	Dr. Sumitha Nandan (DIN: 03625120)	Non-Executive and Non-Independent Director	Appointment as Non-Executive and Non-Independent Director	October 03, 2023
6	Mr. Ramanathan Annamalai (DIN: 02645247)	Independent & Non-Executive Director	Retired from the position of the Independent Director on completion of his second term	November 30, 2023
7	Dr. Sumitha Nandan (DIN: 03625120)	Non-Executive and Non-Independent Director	Resignation	February 13, 2024

**Mr. T M Manoharan, Independent Director of the Company has Resigned from the Board due to health issues with effect from July 15, 2023. The confirmation by such director that there are no other material reasons other than those provided is available at :* https://asirvadmicrofinance.co.in/wp-content/uploads/2023/07/BSE%20Intimation-Resignation%20of%20ID-15-07-2023(1).pdf

The details of Directorships & Committee Chairmanships/Memberships as on March 31, 2025

Sl. No.	Name of the Director	Number of Directorships	Memberships in Audit / Stakeholders Relationship Committee**	Chairmanships in Audit / Stakeholders Relationship Committee**	Category of directorship and Names of listed entities where person is a director*
1	Mr. V P Nandakumar Chairman	18	3	0	1. Manappuram Finance Limited - Managing Director
2	Mr. B N Raveendra Babu Managing Director	1	1	0	-
3	Mr. Abhijit Sen Independent Director	5	5	3	1. Kalyani Forge Limited - Independent Director 2. Manappuram Finance Limited- Independent Director
4	Ms. Anita Belani Independent Director	9	6	0	1. Foseco India Limited – Independent Director 2. Redington Limited - Independent Director 3. Benares Hotels Limited - Additional Director 4. JSW Infrastructure Limited 5. Vivriti Capital Limited
5	Mr. D R Dogra Independent Director	9	6	2	1. Skipper Limited- Independent Director 2. IFB Industries Limited- Independent Director 3. Capri Global Capital Limited- Independent Director 4. G R Infraprojects Limited- Independent Director 5. S Chand and Company Limited- Independent Director
6	Mr. Gautam Saigal Non-Executive, Non-Independent Director	4	2	1	-
7	Mr. Harshan Kollara Independent Director	2	3	1	1. Manappuram Finance Limited- Independent Director
8	Ms. Pushya Sitaraman Independent Director	3	2	0	1. LMW Limited- Independent Director
9	Mr. S K Mitra Independent Director	6	7	4	1. IL&FS Engineering and Construction Company Limited - Independent Director 2. IL&FS Transportation Networks Limited – Non-Executive, Non Independent Director
10	Mr. S V Raja Vaidyanathan Non- Executive, Non-Independent Director	7	2	0	-
11	Mr. T Balakrishnan Independent Director	4	2	1	-

**As required by Clause 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures include the number and name of listed entities on which a person is a director / independent director only those whose equity shares are listed on a stock exchange and high value debt listed entities.*

***As required by Clause 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures include Membership/ Chairpersonship of Audit Committee and Stakeholders Relationship Committee of Companies are shown.*

As on March 31, 2025, there is no relationship between Directors inter se.

Familiarization Program for Independent Directors

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarize its Independent Directors about the Company, its financial products, the industry and business model of the Company. The Company has conducted two programs during the financial year 2024-25. The details of the same uploaded in the company's website at the web link: https://asirvadmicrofinance.co.in/wp-content/uploads/2025/05/Familiarization%20Programme%20for%20Independent%20Directors%202024-25.pdf

None of the Directors of the Company have exceeded the maximum number of Directorship as specified under Section 165 of the Companies Act, 2013.

The brief profiles of Directors are also available on the website of the Company https://asirvadmicrofinance.co.in/board-of-directors/

Pursuant to Clause C(2)(i) of Schedule V of Listing Regulations, in the opinion of the Board, the independent directors fulfill the conditions as specified in the Listing Regulations and are independent of the management.

Separate meeting of the Independent Directors

A Separate Meeting of the Independent Directors was held on March 17, 2025, without the presence of Non-Independent Directors and members of Management. All the Independent Directors attended the meeting and inter alia:

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Matrix setting out the skills/expertise/competence of the board of directors

Leadership
Extended business leadership experience resulting in understanding of organizational and administrative processes and practices, strategic planning and risk management.
People Practices
Experience and strengths in developing talent, planning succession, driving change and long-term growth. Understands the drivers leading to behavior change.
Financial Management & Control
Proven expertise in financial management, financial control, capital planning and Accounting with understanding of associated standards and reporting practices.
Diversity including gender and occupation
Representation of diversity in terms of gender, geography, culture, occupations that bring varied independent perspectives expanding the Board's understanding of the needs and viewpoints of customers, partners, employees, government and other stakeholders.
Technology
A significant background in technology including applications, Infrastructure, information security etc resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.
Governance
Service in a public company board with good insights on Governance requirements and practices for Board and management and accountability, protecting shareholders interests.
Sales and Marketing
Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.
Regulatory and compliance
Extended experience and understanding of the regulatory environment operating in the context of the business of financial services including financial risk management.
Law
Legal background and experience.
Financial Services
Extended experience in a financial services firm enabling a rich understanding of the sector and the context including financial inclusion practices and strategies.
Sustainability
Experience and exposure in understanding sustainability from the business perspective with regard to employees, customers and the larger community including the environment.

Please insert a "✓" against core skills/expertise/competencies as defined below, which each Director identifies that he/she possess.

Name of Director	Mr. V P Nandakumar	Mr. Abhijit Sen	Mr. B N Raveendra Babu	Mr. D R Dogra	Mr. Gautam Saigal	Ms. Pushya Sitaraman	Mr. S K Mitra	Mr. S V Raja Vaidyanathan	Mr. T Balakrishnan	Mr. Harshan Kollara	Ms. Anita Belani
Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
People Practices	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial Control	✓	✓	✓	✓	✓		✓	✓		✓	
Diversity including gender and occupation	✓					✓	✓		✓	✓	✓
Technology		✓	✓				✓	✓		✓	
Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sales and Marketing	✓		✓		✓		✓	✓			
Regulatory	✓	✓	✓	✓		✓		✓	✓	✓	
Law						✓		✓	✓		✓
Financial Services	✓	✓	✓	✓	✓		✓	✓		✓	
Sustainability	✓		✓					✓	✓		✓

Committees of the Board

In compliance with extant statutes applicable and to focus effectively on the various roles and ensure expedient resolution of diverse matters, the Board has constituted the following set of Committees with specific terms of reference / scope. The Committees are operating as empowered agents of the Board as per their Charter / terms of reference.

Audit Committee

The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise internal controls and financial reporting processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The Audit Committee met nine times on the following dates during the financial year 2024-25 on May 04, 2024, May 22, 2024, July 26, 2024, August 16, 2024, October 30, 2024, November 14, 2024, November 26, 2024, February 05, 2025, and March 15, 2025.

Composition of the Audit Committee as on March 31, 2025, is as follows:

Name of the Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Mr. D R Dogra	February 01, 2017	9	Chairman, Independent Director
Mr. Abhijit Sen	March 17, 2020	9	Member, Independent Director
Mr. Gautam Saigal	May 12, 2015	9	Member, Non-Executive, Non-Independent Director
Mr. Harshan Kollara	November 12, 2021	9	Member, Independent Director
Mr. S V Raja Vaidyanathan	July 01, 2021	8	Member, Non-Executive, Non-Independent Director
Mr. T Balakrishnan	May 15, 2018	9	Member, Independent Director

Role of Audit Committee Includes

(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 the Company;

(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 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;

(i) scrutiny of inter-corporate loans and investments;

(j) valuation of undertakings or assets of the Company, wherever it is necessary;

(k) evaluation of internal financial controls and risk management systems;

(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 there on;

(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) to review the functioning of the whistle blower mechanism;

(s) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(t) carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(u) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹100 crore 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) 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

(y) 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) 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) 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.

Nomination and Remuneration Committee

The Board has constituted the Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013 and SEBI LODR.

Role of Nomination and Remuneration Committee Includes

The primary purpose of the Committee, among other things, is to determine and propose the following for Board's approval: -

a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

b) formulation of criteria for evaluation of performance of independent directors and the Board;

c) 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 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.

d) devising a policy on Board diversity;

e) 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;

f) 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;

g) recommend to the Board, all remuneration, in whatever form, payable to senior management;

(h) 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;

(i) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws **("ESOP Scheme")**

i. Determining the eligibility of employees to participate under the ESOP Scheme;

ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

iii. Date of grant;

iv. Determining the exercise price of the option under the ESOP Scheme;

v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

x. The grant, vest and exercise of option in case of employees who are on long leave;

xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;

xii. The procedure for cashless exercise of options;

xiii. Forfeiture/ cancellation of options granted;

xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(j) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme; and

(k) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Nomination and Remuneration Committee met five times on the following dates during the financial year 2024-25: May 06, 2024, May 22, 2024, August 26, 2024, October 24, 2024, and January 29, 2025.

Composition of the Nomination and Remuneration Committee as on March 31, 2025, is as follows:

Name of the Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Mr. T Balakrishnan	May 15, 2018	5	Chairman, Independent Director
Ms. Anita Belani	May 09, 2023	5	Member, Independent Director
Mr. Gautam Saigal	March 04, 2016	5	Member, Non-Executive, Non-Independent Director
Mr. Harshan Kollara	December 01, 2023	5	Member, Independent Director
Ms. Pushya Sitaraman	May 30, 2020	5	Member, Independent Director

CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The criteria and manner for evaluation of performance of Independent Directors provide certain parameters including:

- Understanding and knowledge of the entity in which it operates and the applicable regulatory norms
- Constructive and analytical decision making abilities and core competencies for effective functioning of the Board
- Understanding of the risk attached with the business structure
- Availability for meetings of the Board and attendance in the meeting of Committees regularly and timely, without delay
- Level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)
- Participation in decisions taken during meetings are unbiased, based on ethical judgment and are in strict conformity to the applicable regulatory norms
- Commitment to ensure that there is fairness and integrity in the Company, in letter as well as spirit
- Exercise of own judgment and voicing of opinion freely

The Board has completed the performance evaluation of directors as per the requirement of law. The Independent directors have fulfilled the requirement of independence as laid down in the Act, SEBI LODR and are independent of management.

Stakeholders Relationship and Customer Service Committee

The Stakeholders Relationship and Customer Service Committee is constituted pursuant to Section 178 of the Companies Act, 2013 read with rules made thereunder and SEBI LODR.

The role of the Committee, inter-alia, shall include the following:

- 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 & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for ensuring timely receipt of annual reports/statutory notices by the security holders of the Company.
- Review of all communications to security holders mandated by LODR and Companies Act, 2013.
- Any other matters that can facilitate better investor services and relations.
- To carry out the roles and responsibilities of Customer Service Committee as per RBI Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023 including determination of the structure of emoluments, facilities and benefits accorded to the Internal 24 Ombudsman / Deputy Internal Ombudsman and discussion of cases, in which the decision of the Internal Ombudsman has been rejected by the regulated entity.

During the financial year 2024-25, the Stakeholder Relationship and Customer Service Committee met three times on the following dates: August 10, 2024, October 25, 2024 and January 31, 2025.

Composition of the Stakeholder Relationship and Customer Service Committee as on March 31, 2025, is as follows:

Name of the Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Mr. Harshan Kollara	March 23, 2023	3	Chairman, Independent Director
Mr. B N Raveendra Babu	May 24, 2021	1	Member, Managing Director
Ms. Pushya Sitaraman	May 24, 2021	3	Member, Independent Director
Mr. S K Mitra	May 24, 2021	3	Member, Independent Director

Name, designation and address of Compliance Officer:

Ms. Aparna Menon

Company Secretary

Asirvad Micro Finance Limited

9th Floor, No.9, Club House Road, Anna Salai, Chennai- 600002

Ph: 9345960647

Email ID: sec@asirvad.in

No complaints were received from the security holders during the financial year 2024-25.

Risk Management Committee

The risk management framework is an important parameter that define the success of a financial services organization.

A risk management programme establishes a process of identifying and assessing the major risks covering all areas of the institution's activities. The Board of Directors is responsible to ensure that management has implemented a risk management programme, that resources are allocated for risk management and internal controls, and that there is adequate oversight of the audit function as one of the Board of Director's responsibilities. The Board has constituted Risk Management Committee to ensure proper management of risk in the Company.

The Risk Management Committee met four times on following dates during the financial year 2024-25: May 02, 2024, August 09, 2024, August 27, 2024 (Adjourned meeting dated August 09, 2024), October 26, 2024, November 12, 2024 (Adjourned meeting dated October 26, 2024) and January 30, 2025.

Composition of the Risk Management Committee as on March 31, 2025 is as follows:

Name of the Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Mr. Gautam Saigal	March 04, 2016	4	Chairman, Non-Executive, Non-Independent Director
Mr. Abhijit Sen	March 17, 2020	4	Member, Independent Director
Ms. Anita Belani	May 09, 2023	3	Member, Independent Director
Mr. B N Raveendra Babu	May 30, 2020	4	Member, Managing Director
Mr. D R Dogra	September 09, 2016	4	Member, Independent Director
Mr. S V Raja Vaidyanathan	November 06, 2014	3	Member, Non-Executive, Non-Independent Director
Mr. Sundararaj S*	November 01, 2024	2	Non-Board Member, Chief Risk Officer

** Mr. Sathish Kumar Chalasani has resigned from the position of Chief Risk Officer ("CRO") with effect from April 15, 2024, and no RMC were attended in the financial year 2024-25.*

Mr. Linekker M.R has appointed as Chief Risk Officer ("CRO") with effect from May 06, 2024, and has attended two meetings of the Risk Management Committee as CRO during the year. Further, Mr. Sundararaj S assumed the role of CRO and became member of Risk Management Committee with effect from November 01, 2024.

Role of Risk Management Committee Includes

The role of the Risk Management Committee, inter-alia, shall include the following:

- To formulate a detailed Risk Management Policy, which shall cover the following:
  a. 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, cyber security risks or any other risk as may be determined by the Committee;
  b. Measures for risk mitigation including systems and processes for internal control of identified risks;
  c. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- Identification, monitoring and measurement of the risk profile of the Company (including market risk, operational risk, compliance risk, credit risk, transactional risk etc.);
- overseeing its integrated risk measurement system;
- to analyze the critical decision for investments and corporate lending;
- Perform such other act, including the acts and functions stipulated by RBI and any other regulatory authority, as prescribed from time to time.

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee ("CSR Committee"). The Committee has formulated and recommended a CSR Policy to the Board and various recommendations of the Committee including the amount of expenditure to be incurred on CSR activities. The Committee has framed a transparent monitoring mechanism for implementation of CSR projects or programs as per the Annual Action Plan of the Company and monitors CSR policy from time to time.

The Corporate Social Responsibility Committee met four times on below mentioned dates during the financial year 2024-25: May 03, 2024, August 02, 2024, October 24, 2024 and January 29, 2025.

Composition of the Corporate Social Responsibility Committee as on March 31, 2025, is as follows:

Name of Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Ms. Pushya Sitaraman	May 13, 2019	4	Chairperson, Independent Director
Mr. B N Raveendra Babu	February 01, 2017	3	Member, Managing Director
Mr. D R Dogra	July 01, 2021	4	Member, Independent Director
Mr. T Balakrishnan	July 01, 2021	4	Member, Independent Director

Role of CSR Committee Includes

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- Monitor the CSR Policy of the Company from time to time;
- Formulation of Annual Action Plan in accordance with CSR Policy.

IT Strategy Committee

IT Strategy Committee was constituted as per the applicable RBI directives. The Constitution of IT Strategy Committee is mandatory for the Company.

During the financial year 2024-25, the IT Strategy Committee met four times on the following dates: May 14, 2024, August 24, 2024, October 25, 2024 and January 28, 2025.

Composition of the IT Strategy Committee as on March 31, 2025, is as follows:

Name of the Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Mr. S K Mitra	March 17, 2020	4	Chairman, Independent Director
Mr. Abhijit Sen	July 01, 2021	4	Member, Independent Director
Mr. B N Raveendra Babu	May 13, 2019	4	Member, Chief Information Officer, Managing Director
Mr. S V Raja Vaidyanathan	November 04, 2017	4	Member, Non-executive, Non-Independent Director
Mr. Ajith U*	February 12, 2025	0	Member, Chief Technology Officer

** Mr. Joshy K.G resigned from the position of Chief Technology Officer ("CTO") of the company with effect from February 11, 2025. Mr. Ajith U assumed the role of Chief Technology Officer ("CTO") of the company with effect from February 12, 2025.*

Borrowing & Securities Allotment Committee

The Borrowing & Securities Allotment Committee is in place inter alia to approve fresh borrowings from banks and financial institutions and also to empower designated individuals in the senior management to finalize the terms and conditions relating to the proposal under consideration and for allotment of Securities.

The Borrowing & Securities Allotment Committee met twenty two times on the following dates during the financial year 2024-25: April 04, 2024, April 30, 2024, May 17, 2024, June 22, 2024, June 26, 2024, June 29, 2024, July 24, 2024, July 29, 2024, August 10, 2024, August 12, 2024, August 19, 2024, September 02, 2024, September 17, 2024, September 19, 2024, September 23, 2024, September 25, 2024, September 28, 2024, October 21, 2024, October 26, 2024, January 07, 2025, February 20, 2025 and March 12, 2025.

Composition of the Borrowing Committee & Securities Allotment Committee as on March 31, 2025, is as follows:

Name of the Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Mr. B N Raveendra Babu	February 19, 2015	22	Chairman, Managing Director
Mr. S V Raja Vaidyanathan	April 25, 2009	22	Member, Non- Executive, Non-Independent Director
Mr. T Balakrishnan	February 05, 2024	22	Member, Independent Director
Mr. V P Nandakumar	February 19, 2015	22	Member, Non- Executive Director, Non-Independent Director

Management Committee

For ensuring effective management of overall operations of the Company, the Management Committee was constituted. The said Committee meets from time to time for monitoring the activities of various departments of the Company in order to give a high-level strategy for the functioning of business. The said Committee meets from time to time for monitoring the activities of various departments of the Company in order to ascertain that procedures/ codes of the Company are adhered effectively.

During the Financial Year, the said Committee met four times i.e., on July 25, 2024, October 17, 2024, January 27, 2025 and March 14, 2025.

Further, the composition of Management Committee as on March 31, 2025, is as follows:

Name of the Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Mr. V P Nandakumar	July 01, 2021	4	Chairman, Non-Executive, Non-Independent Director
Mr. Abhijit Sen	March 17, 2020	4	Member, Independent Director
Mr. B N Raveendra Babu	May 13, 2019	4	Member, Managing Director
Mr. D R Dogra	February 01, 2017	4	Member, Independent Director
Mr. Gautam Saigal	May 12, 2015	4	Member, Non-Executive, Non-Independent Director
Mr. Harshan Kollara	November 12, 2021	4	Member, Independent Director
Mr. S V Raja Vaidyanathan	September 07, 2009	3	Member, Non-Executive, Non-Independent Director

IPO Committee

The IPO Committee was constituted by the Board of Directors on September 22, 2023, for the purpose of issuing and listing the Equity Shares on one or more of the Stock Exchanges.

During the financial year 2024-25, no meetings were conducted for the IPO Committee

The Company withdrew the DRHP and Addendum to DRHP on March 20, 2025, due to uncertain market conditions.

Consequently, the purpose for IPO Committee no longer existed. Therefore, the IPO Committee was dissolved with effect from the date of withdrawal of DRHP and addendum to DRHP i.e., March 20, 2025.

Asset Liability Committee

Asset Liability Committee is an executive committee comprising of the management team, constituted to inter alia monitor the asset liability gap, strategize action to mitigate the risk associated, ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives.

During the financial year 2024-25, the Asset Liability Committee met thirteen times on the following dates: April 19, 2024, May 29, 2024, June 25, 2024, July 15, 2024, August 30, 2024, September 13, 2024, October 28, 2024, November 20, 2024, December 19, 2024, December 24, 2024, January 24, 2025, February 19, 2025 and March 28, 2025.

Composition of the Asset Liability Committee as on March 31, 2025 are as follows:

Name of the Member	Member of Committee since	No. of Committee Meetings attended during the Financial Year 2024-25	Position and Category
Mr. B N Raveendra Babu	May 30, 2020	13	Chairman, Managing Director
Mr. Chintha Prasad	November 07, 2022	13	Member, CEO-MFI
Mr. Sundararaj S*	November 01, 2024	6	Member, CRO
Mr. Rajesh KRN Namboodiripad	May 17, 2022	13	Member and Secretary of the Committee, CFO
Mr. Sugesh Ram K S**	June 27, 2024	10	Member, CCO

** Mr. Sathish Kumar Chalasani has resigned from the position of Chief Risk Officer ("CRO") with effect from April 15, 2024, and no ALCO meetings were attended in the financial year 2024-25.*

Mr. Linekker M.R has appointed as Chief Risk Officer ("CRO") with effect from May 06, 2024 and has attended six meetings of the ALCO as CRO during the year. Further, Mr. Sundararaj S assumed the role of CRO and become member of ALCO with effect from November 01, 2024.

*** Mr. Sugesh Ram K S was appointed as a member with effect from June 27, 2024.*

Further, Mr. Satish Nair was appointed as member with effect from June 27, 2024, and he attended 1 meeting in the financial year 2024-25. Subsequently, he resigned from his post w.e.f. July 27, 2024.

Senior management

Particulars of senior management including the changes therein since the close of the previous financial year.

Senior Management	As on March 31, 2025
CEO- MFI	Mr. Chintha Prasad
CFO	Mr. Rajesh K R N Namboodiripad
BUSINESS HEAD GOLD	Mr. Muthu Bhaskar
CHRO	Mr. Mohan Parthasarathy (from August 27, 2024)
Head-HR	Mr. Shyju K (Upto August 26, 2024)
CCO	Mr. Sugesh Ram K S
CS	Ms. Aparna Menon
CTO	Mr. Joshy K.G (Upto February 11, 2025) Mr. Ajith U (from February 12, 2025)
CRO	Mr. Sathish Kumar Chalasani (Upto April 15, 2024) Mr. Linekker M.R (from May 06, 2024 to October 30, 2024) Mr. Sundararaj S (from November 01, 2024)
HEAD OF INTERNAL AUDIT	Ms. Jiji Joseph (Upto October 30, 2024) Mr. Pramod M (from November 01, 2024)
CIRO	Mr. Basvaraj Shetty (Upto November 14, 2024)

Remuneration to Directors

Details of remuneration of the Directors for the financial year ended March 31, 2025:

(₹ In Lakhs, unless otherwise mentioned)

Name of the Directors	Salary, Perquisite & Pension	Sitting Fee	Commission for the year ended March 31, 2025 approved by the Board of Directors (excluding GST)	Stock Options	Shareholding (Equity) (No.)
Mr. V P Nandakumar	-	-	-	-	7,78,209
Mr. S V Raja Vaidyanathan	-	11.89	-	-	33,59,202
Mr. B N Raveendra Babu	152.68	-	60**	-	1,88,466
Mr. Gautam Saigal	-	10.34	-	-	1,54,005
Mr. T Balakrishnan	-	12.01	-	-	-
Mr. D R Dogra	-	10.15	-	-	89,472
Ms. Pushya Sitaraman	-	7.18	-	-	-
Mr. S K Mitra	-	6.65	-	-	-
Mr. Abhijit Sen	-	9.83	-	-	-
Mr. Harshan Kollara	-	10.18	-	-	-
Ms. Anita Belani	-	5.07	-	-	-

**Mr. Ramanathan Annamalai, Independent Director of the Company retired as on November 30, 2023. The commission of ₹ 14 lakhs for the financial year 2023–24 was paid in the financial year 2024–25.*

***The Board at its meeting held on May 06, 2025, approved an ex-gratia payment of Rs. 60 lakhs for the Mr. B N Raveendra Babu, subject to approval of shareholders at the ensuing Annual General Meeting.*

Criteria of making payments to Non-Executive Directors

While considering the level of commission payable to the independent, non-executive directors, the Nomination and Remuneration Committee takes into account various factors such as attendance, level of participation, contribution to the meetings and its decision making, continuity on the Board, fit and proper status and feedback of performance appraisal questionnaire, etc.

Considering the losses posted by the Company, the Nomination and Remuneration Committee and the Board has not recommended any commission for the Financial Year 2025.

Sitting fees are approved by the Board separately for Board and committee meetings.

Disclosures with respect to Remuneration

Pecuniary relationship or transactions with the non-executive directors.

Refer Note Number 36 of the Financial Statements for all transactions with Directors and their related parties

Executive Directors

Mr. B N Raveendra Babu, Managing Director

i. all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;

Remuneration paid for FY 2025

(₹ In Lakhs, unless otherwise mentioned)

Name of the Directors	Salary, Perquisite & Pension	Benefits/ Provident Fund	Sitting Fee	Commission paid during the year	Stock Options
Mr. B N Raveendra Babu	140.52	12.16	-	-	-

The Board at its meeting held on May 06, 2025, approved an ex-gratia payment of ₹ 60 lakhs for the Mr. B N Raveendra Babu, subject to approval of shareholders at the ensuing Annual General Meeting.

Details of Remuneration approved by Shareholders of the Company:

- Salary: ₹ 1,42,20,000 (Rupees One Crore Forty-Two Lakh and Twenty Thousand Only) per annum;
- Commission: Not exceeding 1% of net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013. The quantum of commission to be determined by the Board of Directors subject to the norms framed by the Board from time to time;
- Retirement Benefits / Perquisites Contribution to PF: @ 12% of the monthly salary;
- Employee Stock Option Plan: Eligible to the extent of number of shares arising based on options approved to be issued by the Nomination & Remuneration Committee of the Company;
- Contribution to Pension Fund, Superannuation Fund, Gratuity Fund, Encashment of leave at the end of the tenure of appointment as per the rules of the Company (These shall not be included in the computation of remuneration or ceiling on the perquisites);
- Medical Reimbursement Expenses: For self and family including premium payable for medical insurance;
- Personal Accident Insurance: As per the rules of the Company;
- Leave Travel Concession: For self and family once in a year as per the rules of the Company;
- Fee for Clubs: Subject to maximum of two clubs excluding admission and life membership fees;
- Perquisite: Rent Free Accommodation provided, while staying in Chennai;
- Others: Such other allowances, perquisites, benefits and amenities as may be provided by the Company from time to time;
- In the event of inadequacy of profits or no profits, Mr. B N Raveendra Babu, Managing Director shall be entitled to consolidated remuneration including Commission but not exceeding ₹ 3 Crore during any financial year and such remuneration shall remain in force for a period of three years commencing from the year the Company has inadequacy of profits or reports loss.

ii. performance criteria includes the below;

- Performance related to budget.
- Performance vis a vis peers.
- Employee engagement weightage (based on team building, attrition levels etc) Employee engagement survey and actions taken thereafter.
- Building an ethical culture in the organisation, developing a strong Risk management and compliance culture across the Company, with strong and constructive relationship building with regulators and investor relations.

iii. service contracts, notice period, severance fees: NA

iv. stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: NA

General Body Meetings

Details of the last three Annual General Meetings of the Company are given below:

Sl. No	Meeting	Date & Time	Venue
1	Annual General Meeting	September 30, 2024 at 11.00 AM	9th Floor, No. 9, Club House Road, Anna Salai, Chennai-600002. (Through Video Conference)
	Special Resolutions Passed • Re-appointment of Mr. Abhijit Sen (DIN: 00002593) as an Independent Director of the Company • Revision in remuneration of Mr. B N Raveendra Babu, Managing Director (DIN: 00043622) of the company • Related party transactions with Manappuram Finance Limited		
2	Annual General Meeting	August 16, 2023 at 11.00 AM	9th Floor, No. 9, Club House Road, Anna Salai, Chennai-600002. (Through Video Conference)
	Special Resolutions Passed • Alteration of the Articles of Association of the Company • Revision in remuneration of Mr. B N Raveendra Babu, Managing Director (DIN: 00043622) of the company		

3	Annual General Meeting	September 24, 2022 at 11.00 AM	9th Floor, No. 9, Club House Road, Anna Salai, Chennai-600002. (Through Video Conference)
	Special Resolutions Passed • Re-appointment of Mr. S.K Mitra as an Independent Director of the Company • Re-appointment of Mr. T Balakrishnan as an Independent Director of the Company • Re-appointment of Mr. T M Manoharan as an Independent Director of the Company • Revision in remuneration of Mr. B N Raveendra Babu, Managing Director of the company • Related party transactions with Manappuram Finance Limited		

No resolutions were passed vide Postal Ballot during the financial year 2024-25. No special resolution is proposed to be conducted through postal ballot.

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

Means of Communication

The Company publishes the un-audited / audited financial results on quarterly basis in accordance with the provisions of SEBI (LODR) Regulations, 2015. The financial results in the prescribed format are published in the leading newspaper, Financial Express. The Company has its website at https://asirvadmicrofinance.co.in/ where in relevant information about the Company and its performance including board approved policies / code are given. The financial results of the Company and official news releases, if any, are also posted on its website. The company is a debt listed company hence it does not make presentations to institutional investors/ analysts.

All information/communication for debenture holders is duly filed with BSE Limited and the same are posted in the Company's website.

General Shareholders Information

(a) Annual general meeting - date, time and venue;	Date: August 12, 2025 Time: 11.00 A.M. (IST) through video conferencing Venue: through video conferencing
(b) Financial year;	2024-25
(c) Dividend payment date;	NA (No payment during the FY 2024-25)
(d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	Debt Securities of the Company are listed at BSE Limited (BSE). Address of BSE:25th floor, P. J. Towers, Dalal Street, Mumbai - 400 001 Annual listing fee for FY 2024-25 has been paid by the Company to BSE within due date.
(e) In case the securities are suspended from trading, the directors report shall explain the reason thereof;	NA
(f) Registrar to an issue and share transfer agents;	MUFG Intime India Pvt. Ltd (Formerly Link Intime India Pvt Ltd) Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road Coimbatore - 641028, TN, India Phone: +91 422 2314792/ 5792, 4958995, 2539835/ 836 E-mail: coimbatore@in.mpms.mufg.com Investor grievance e-mail: coimbatore@in.mpms.mufg.com Website: https://www.in.mpms.mufg.com
(g) Share transfer system;	All shares and debentures of the Company are in the Demat form and are transferrable through Depository System.
(h) dematerialization of shares and liquidity	Detailed below
(i) distribution of shareholding	Detailed below
(j) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;	NA (It is a debt listed company)
(k) commodity price risk or foreign exchange risk and hedging activities;	Please refer the Notes No. 39 and 51 of financial statements
(l) Plant locations;	There are no plants for the company, however, we have branches across India as detailed in the Directors' Report.

(m) Address for correspondence.	Registered Office: 9th Floor, No.9, Club House Road, Anna Salai, Chennai, Tamil Nadu - 600002
(n) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	Details of Credit Rating is detailed in the Directors' Report.

Dematerialisation of shares and Liquidity

The Company is a member of the depository services of the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of its shares.

Shares of the Company are unlisted.

As on March 31, 2025, 100% of the equity shares of the Company are in electronic form with the depositories as detailed below:

Category	No. of Shares	%
National Securities Depository Limited	20,02,54,410	99.99%
Central Depository Services (India) Limited	28,962	0.01%
Total	**20,02,83,372**	**100%**

Distribution of shareholding as on March 31, 2025

SL No	No. of Equity Shares	No of Shareholders	% of Shareholders	No of Shares held	% of Shareholding
1	1000 - 10000	0	0	0	0
2	10001 – 20000	0	0	0	0
3	20001 - 30000	1	10	28,962	0.01
4	30001 - 40000	0	0	0	0
5	40001 - 50000	2	20	84,837	0.04
6	Above 50000	7	70	20,01,69,573	99.95
	Total	**10**	**100**	**20,02,83,372**	**100**

Other Disclosures

- There were no materially significant related party transactions having potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note 36 of Standalone financial statements.

- There were no instances of non-compliance by the Company for which any penalties or strictures were imposed on the Company by the Stock Exchanges and SEBI, or any statutory authority on any matter related to capital markets during the last three years except as given below:

Name of Stock Exchange	Relevant Regulation	Fine Amount/Basis of Calculation (In ₹)	Date of Notice
BSE Limited	Regulation 60(2)	11,800 (10,000 per day plus GST)	September 28, 2022
BSE Limited	*Regulation 57(1)	3,540 (1000 per day plus GST)	September 28, 2022

**Waiver for Regulation 57(1) received from BSE on November 23, 2023.*

**The Company has received multiple notices from BSE and have reverted with proof of compliance.*

As at March 31, 2025, the Company is awaiting waiver notices for emails from BSE imposing fines worth ₹ 35,400.

Other penalties/strictures are detailed under the section "Regulatory Actions during the Financial Year 2024-25" in Boards Report.

- The Company has adopted the Whistle Blower Policy and has established the necessary mechanism in line with the Stock Exchanges, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee. The Vigil Mechanism as per Regulation 22 of Listing Regulations ensures standards of professionalism, honesty, integrity and ethical behavior. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website at the web link https://asirvadmicrofinance.co.in/wp-content/uploads/2024/09/Policy%20on%20Vigil%20(Whistle%20Blower)%20Mechanism.pdf

- Details of compliance with Mandatory requirements and adoption of non-mandatory requirements- Company is in compliance with all mandatory requirements applicable to it as per SEBI LODR i.e., Chapter II, Chapter III, Chapter IV (From Regulation 17 to 27) and Chapter V.

- The Company does not currently have any material listed/ unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. The Policy on Material Subsidiaries may be accessed at https://asirvadmicrofinance.co.in/wp-content/uploads/2025/05/Policy%20on%20determining%20material%20subsidiaries%20(1).pdf

- The policy on dealing with related party disclosures is uploaded on the Company's website at the web link of https://asirvadmicrofinance.co.in/wp-content/uploads/2025/03/RPT%20Policy.pdf

- The disclosure of commodity price risks and commodity hedging activities

  Since the Company is majorly into the business of Microfinance, except for the market risk associated with the natural calamities like drought, Flood etc, there was no direct exposure for the MFI business to the Commodity Price Risk.

  Regarding the Company's Loans against the collateral of used gold jewellery. When the customer fails to repay the principal plus interest of the loan, the Company auctions the collateral and recovers the dues as per the RBI guidelines on gold loan auctioning. The amount recovered at the time of auction depends on the price of the gold content of the jewellery. Though in a long term perspective gold has appreciated, there were instances of depreciation of gold at times. The Company does therefore susceptible to commodity price risk. If gold prices are high, the amount of recovery at the time of auction is more which are to be shared with the borrower and when the price of gold is low the amount recovered at the time of auction is lower. At the time of auction, the Company at times may not collect full amount of interest due, especially if the price of gold is lower at the time of auction than at the time of disbursement. The company mitigates the price risks by offering various rebate schemes to borrowers for timely interest servicing, offering lower interest rate for loans with lower LTV.

  The company has shifted from short term loans with maturity of 90 days to a duration of one year as commodity price risk seems to have subsided. The price of gold has been staying at elevated levels and is likely to remain so due to various geopolitical tensions and inflationary trends. The trend in adding gold reserves by major central banks is likely to maintain gold price at the elevated levels. The elevated price of gold should positively impact collections as loss of principal and interest during auctions are expected to be negligible, thereby positively impacting yields. Besides, high price will also minimize the downside risk to AUM from a shrinkage in gold stocks held by us, assuming LTV is more or less the same.

  The Company does not face any foreign exchange risks from its loan portfolio as all its loans are in Indian Rupee. The company's borrowing is also largely in Indian rupee. However, based on the market opportunities, the company also raises loans denominated in foreign currency. As a policy, the company fully hedges its foreign currency exposures, and the Company does not have any unhedged foreign currency borrowings. For hedging, the company avoids complex derivative instruments and opts for plain vanilla forward contracts or cross currency swaps or combinations for hedging foreign exchange risks.

- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): NA

- A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is published at the report as Annexure-I

- Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:- NA

- Total fees for all services paid by the listed entity to the statutory auditor is detailed in Note. 31(u) of the Financial Statements

- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

  a. Number of complaints filed during the financial year – 2

  b. Number of complaints disposed of during the financial year - 3

  c. Number of complaints pending as on end of the financial year - Nil

- Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount'- Nil

- Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries- The Company has no Subsidiaries

- Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed. – Nil

- The Company is in compliance with all the corporate governance requirements mandated by Part A to D of Schedule II of the SEBI (LODR) Regulations, 2015 as applicable.

  The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI (LODR) Regulations, 2015:

- The Company does not spend for the non-executive chairperson's office and also does not reimburse expenses incurred in performance of his duties.

- The auditors' report on statutory financial statements of the Company are unmodified.

- Mr. V P Nandakumar is the Non-Executive Chairman of the Company and Mr. B N Raveendra Babu is the Managing Director of the Company.

The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director

- The internal auditor reports directly to the Audit Committee

- The Company has complied with all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27.

Clauses (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations (relating to disclosure on the website of the Company) is not applicable to the Company. Company is in Compliance with website disclosure requirements specified in Regulation 62 of Listing Regulations.

Code of Conduct

As per Regulation 26 of SEBI (LODR) Regulations, 2015, the Company has framed a Code of Conduct for the directors and senior management personnel and the same has been uploaded on to the website of the Company and is accessible to the shareholders of the Company at https://asirvadmicrofinance.co.in/wp-content/uploads/2025/02/Code%20of%20Conduct%20for%20Directors%20and%20Senior%20Management%20(2).pdf

It is hereby affirmed that all the Board members and senior management personnel have complied with Code of Conduct of the Company. In terms of the provisions of Part E of Schedule V of the SEBI (LODR) Regulations, 2015, a declaration signed by the Managing Director of the Company is published in this report as Annexure - II.

MD/CFO Certification-

The requisite certification made by MD/CFO as per the Regulation 17(8) as specified in Part B of Schedule II of the SEBI (LODR) Regulations, 2015 for FY 2024-25 which was taken note by the Board of Directors at its meeting held on May 06, 2025 is published in this report as Annexure – III.

Disclosures with respect to demat suspense account/ unclaimed suspense account – NA.

Shares of the Company are not listed.

Disclosure of certain types of agreements binding listed entities – NA as Part A of Schedule III of Listing regulations is not applicable to the Company.

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V P Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 08, 2025
Place: Valapad

Annexure-I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V - Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Asirvad Micro Finance Limited
9th Floor, No. 9,
Club House Road, Anna Salai,
Chennai – 600 002.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Asirvad Micro Finance Limited** (CIN: U65923TN2007PLC064550) and having its registered office at 9th Floor, No. 9, Club House Road, Anna Salai, Chennai – 600002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V- Para C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment/Re-appointment
	Mr.V P Nandakumar	00044512	10/02/2015
	Mr. B N Raveendra Babu	00043622	10/02/2015 / 01/07/2021#
	Mr. Abhijit Sen ^	00002593	17/03/2020
	Mr. S K Mitra ^	00029961	17/03/2020/ 01/01/2023*
	Mr. T Balakrishnan ^	00052922	15/05/2018
	Mr. D R Dogra ^	00226775	09/09/2016 / 08/09/2021*
	Mr. Gautam Saigal	00640229	18/03/2015
	Mr. S V Raja Vaidyanathan	01467098	29/08/2007
	Mr. Harshan Kollara ^	01519810	07/08/2021
	Ms. Pushya Sitaraman ^	06537196	02/02/2019 / 01/02/2022*
	Ms Anita Belani ^	01532511	13/01/2023

Appointed as Managing Director
**Re-appointed for Second term as Independent Director*
^ Independent Director

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: May 06, 2025
Place: Coimbatore

For **KSR & Co Company Secretaries LLP**
Dr. C. V. Madhusudhanan
Partner
FCS: 5367; CP:4408
UDIN: F005367G000284910
PR No.2635/2022

Annexure-II

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted Code of Conduct for the Directors and senior management personnel. I confirm that the Company has in respect of the year ended March 31, 2025, received from the Senior Management Personnel of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Place: Valapad
Date: May 06, 2025

B N Raveendra Babu
Managing Director
DIN: 00043622

Annexure-III

CEO & CFO CERTIFICATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To:

The Board of Directors of Asirvad Micro Finance Limited

We, B N Raveendra Babu, Managing Director and Rajesh KRN Namboodiripad, Chief Financial Officer of Asirvad Micro Finance Limited, ("the Company") hereby certify that: -

(a) We have reviewed financial statements and cash flow statement for the year ended March 31, 2025, and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2025, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee

1. significant changes, if any, in the internal control over financial reporting during the financial year ended March 31, 2025;

2. significant changes, if any, in the accounting policies during the financial year ended March 31, 2025 and that the same have been disclosed in the notes to the financial statements; and

3. instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

B N Raveendra Babu
Managing Director
DIN: 00043622

Rajesh KRN Namboodiripad
Chief Financial Officer

Place: Valapad
Date: May 06, 2025

Annexure–D

Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee (CSR Committee). The CSR Committee has formulated and recommended a CSR Policy to the Board and various recommendations of the CSR Committee including the amount of expenditure to be incurred on CSR activities are submitted to the Board for approval. The CSR Committee has framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitors CSR policy from time to time.

2. Compositions of the Corporate Social Responsibility Committee as on March 31, 2025:

SL No.	Name of the 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	Mrs. Pushya Sitaraman	Chairperson, Independent Director	4	4
2	Mr. B N Raveendra Babu	Member, Managing Director	4	3
3	Mr. T Balakrishnan	Member, Independent Director	4	4
4	Mr. D R Dogra	Member, Independent Director	4	4

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

Composition of CSR committee is available on the company's website at https://asirvadmicrofinance.co.in/sub-committee/

The CSR Policy of the Company as approved by the Board of Directors is available on the Company's website at https://asirvadmicrofinance.co.in/wp-content/uploads/2024/09/CSR%20Policy.pdf

CSR projects approved by the board is available on the Company's website at https://asirvadmicrofinance.co.in/csr/

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 sub-section (5) of section 135 : ₹ **31787.09 Lakhs**

   (b) Two percent of average net profit of the company as per sub-section (5) of section 135 : ₹ **635.74 Lakhs**

   (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)] : ₹ **635.74 Lakhs**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : **533.24 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)] : ₹ **533.24 Lakhs**

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

Total Amount spent for the Financial Year	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
533.24	102.49	16-04-2025	-	-	-

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

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

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(₹ In Lakhs, unless otherwise mentioned)

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s).	Amount transferred to Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years.	Deficiency, if any
					Amount	Date of transfer.		
1	2023-24	-	-	-	-	-	-	
2	2022-23	-	-	-	-	-	-	
3	2021-22	312.29	21.73	21.73	-	-	-	
	TOTAL	-	-		-	-	-	

8. Whether any capital asset have been created or acquired through Corporate Sociability Responsibility amount spent in the financial year:

If yes, enter the number of capital asset created or acquired- 21

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]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent (In ₹)	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1.	Interior and ®vil ®ks (Infrastructural Development of Manappuram Civil Service Academy) Address: Punkunnam Junction, 4th Floor, Sobha Heights Building Agraharam Road, Thrissur, Kerala-680002	680002	06/06/2024	13,540.00	CSR00004545	Manappuram Foundation	V/104, Manappuram House, Valapad P O, Thrissur, Kerala - 680567

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent (In ₹)	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
2.	Building Construction for Alpha Hospice. Address: Edamuttam PO, Thrissur-680568	680568	20/03/2025	70,00,000	CSR00010218	Alpha Charitable Trust	Alpha Charitable Trust,Ix/617, Edamuttam P O,Thrissur, KL12,Kerala, 680568
3.	Building Constrcution for Alpha Palliative Care Link Centre Chalakudy Address: Alpha Palliative Care Chalakudy Link center, near Gopalakrishna Auditorium, Chako's Paradise, South Chalakudy Pin-680307	680307	28/02/2025	12,00,000	CSR00010218	Alpha Charitable Trust	Alpha Charitable Trust,Ix/617, Edamuttam P O,Thrissur, KL12,Kerala, 680568
4	Dream Runners Foundation, Address: Flat- SF2, Mulberry, New No. 6,Old No.14,II Cross Street, Karpagam Gardens, Adyar, Chennai - 600020	600020	21/6/2024	11,00,000.00	CSR00013499	Dream Runners Foundation	Dream Runners Foundation, Flat- SF2, Mulberry, New No. 6, Old No.14, II Cross Street, Karpagam Gardens, Adyar,Chennai - 600020
5	Infrastructure Development at Mageet School. Adrees: MAgeet, Valappad Thrissur, Kerala -680567	680567	26/03/2025	2,61,29,234.00	CSR00004545	Manappuram Foundation	V/104, Manappuram House, Valapad P O, Thrissur, Kerala - 680567
6	Purchase of Land for Attappadi Youth Empowerment Project Address: Nearby Narasimukk, Agali Panchayat-678581	678581	19/07/2024	1,00,00,000.00	CSR00009159	Santhi Medical Information Centre	Santhi Medical Information Centre, Punnathoor road, Kottapadi, Guruvayur, KL12, Kerala 680505
7	Purchase of Benches, Desks, Bero Almirah and printer to improve facilities at PUPS Vediyarasampalyam Namakkal Address: PUPS VEDIYARASAMPALAYAM Pallipalayam (pincode-638008) Pues Palli ,Agraharam Pallipalayam Namakkal Tamilnadu.	638008	22/10/2024	3,54,552.00	Nil	PUPS Vediyarasampalyam Namakkal	PUPS VEDIYARASAMPALAYAM Pallipalayam (Pincode: 638008) Pues Palli, Agraharam Pallipalayam Namakkal Tamilnadu.
8	Patient Monitor and Defibrillator to Anthikkad CHC Address: Anthikkad Community Health Center, Cherpu - Thriprayar Rd, Cherpu, Thrissur, Kerala-680561	680561	14/05/2024	1,68,000.00	Nil	Anthikkad Community Health Center	Anthikkad Community Health Center, Cherpu - Thriprayar Rd, Cherpu, Thrissur, Kerala 680561
9	4 Dialysis Machines for Thanal Address: Thanal, Thazhe Angadi, Beach Road, Vatakara, Kozhikode-673103	673103	10/06/2024	12,00,000.00	CSR00005288.	Daya Rehabilitation Trust,	Daya Rehabilitation Trust, Kuttikattoor, Kozhikode District, KI08, Kerala, 673008

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent (In ₹)	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
10	1 Computer to Triprayar Community Health centre. Address: Thriprayar CHC , Thriprayar Rd, Peringottukara, Thanniyam, Kerala-680564	680564	12/06/2024	48,700.00	Nil	Thriprayar Community Health Centre	Thriprayar CHC, Thriprayar Rd, Peringottukara, Thanniyam, Kerala 680564
11	1 House for Sheena Address: Sheena, Puthuvassey Moolakombil House, Chemanganad, Aluva, Ernakulam-682578	682578	10/05/2024	58,500.00	Nil	Ms. Sheena	Sheena, Puthuvassey Moolakombil House, Chemanganad, Aluva, Ernakulam, 682578
12	1 House for Suneera Address: Ms. Suneera K K, D/o Kunjumoidheen, Kallungal House Mala P O Kottamury-680732	680732	10/05/2024	1,00,000.00	Nil	Ms. Suneera K K	Ms. Suneera K K, D/o Kunjumoidheen, Kallungal House Mala P O Kottamury 680732
13	1 House for Jeena Jose Address: Jeena Jose, C/o Jose K M, Koithanath (H), Nattukal Post, Thachanattukara -I, Palakkad, Kerala-678583	678583	10/05/2024	1,25,000.00	Nil	Jeena Jose	Jeena Jose, C/o Jose K M, Koithanath (H), Nattukal Post, Thachanattukara -I, Palakkad, Kerala 678583
14	1 House for Sheela Adress: Sheela, W/o George, Mundathanath, Chendikunnu, Varakkad Village, Maloth, Kasragod, Kerala-671533	671533	02/07/2024	2,50,000	Nil	Sheela	Sheela, W/o George, Mundathanath, Chendikunnu, Varakkad Village, Maloth, Kasragod, Kerala -671533
15	1 House for Sunil C S/o Balan C, Puthen Veedu, Thiruvangad P O, Kannur-670103	670103	04/07/2024	1,25,000.00	Nil	Sunil C	Sunil C, S/o Balan C, Puthen Veedu, Thiruvangad P O, Kannur, 670103
16	1 House for Vaishnavi Sudeer. Address: Vaishnavi Sudheer, D/o Sudheer A, Valiya Punathil, Chombala, Vatakara, Kozhikode-673308	673308	04/07/2024	1,00,000.00	Nil	Vaishnavi	Vaishnavi Sudheer, D/o Sudheer A, Valiya Punathil, Chombala, Vatakara, Kozhikode, 673308
17	1 House for Thankamani Address: Thankamani P, W/o Suresh Kumar P, Karuvathum Chalil (H), Kunduchira, Ponniam West, Kannur-670641	670641	30/08/2024	1,60,500.00	Nil	Thanakamani	Thankamani P, W/o Suresh Kumar P, Karuvathum Chalil (H), Kunduchira, Ponniam West, Kannur
18	1 house for Latha PK Address: Latha P K, W/o Balakrishnan C N, Chathanattuveil, CMC 31 Ward, Velorvattom, Cherthala North, Alappuzha-688524	688524	06/07/2024	1,25,000.00	Nil	Latha P K	Latha P K, W/o Balakrishnan C N, Chathanattuveil, CMC 31 Ward, Velorvattom, Cherthala North, Alappuzha, 688524

Sl. No.	Short particulars of the property or asset(s). [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent (In ₹)	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
19	House Construction and Development of Thirupayancheri Colony -Sayujyam Project Address: Thirupayancheri Colony, Valapad po, Pin-680567	680567	17/07/2024	4,56,000.00	Nil	Various individual beneficiaries:Sayujyam Project	Thirupayancheri Colony, Valapad PO, pin:680567
20	Mariam Ouseph, Address:Kolanpakkara, Angadikara, Kothamangalam, EKM-686691	686691	19/07/2024	1,00,000.00	Nil	Mariam Ouseph,	Mariam Ouseph, Kolanpakkara, Angadikara, Kothamangalam, EKM,686691
21	Kidwai Memorial Institute of Oncology Address: WHQX+79H Dr MH, Marigowda Rd, Lakkasandra, Hombegowda Nagar, Bengaluru, Karnataka-560029	560029	31/03/2025	21,73,478.00	Nil	Kidwai Memorial Institute of Oncology	Kidwai Memorial Institute of Oncology, WHQX+79H Dr MH, Marigowda Rd, Lakkasandra, Hombegowda Nagar, Bengaluru, Karnataka 560029

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

The amount remaining unspent is pertaining to the ongoing projects and the same have been transferred to CSR unspent account. The amount transferred will be spent within a period of 3 years.

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

Pushya Sitaraman
Chairperson of CSR Committee
DIN: 06537196

Date : May 06, 2025
Place : Chennai

B N Raveendra Babu
Managing Director
DIN: 00043622

Date : May 08, 2025
Place : Valapad

Annexure-E

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 read with
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
For the Financial Year ended March 31, 2025

To,
The Members,
Asirvad Micro Finance Limited
9th Floor, No. 9,
Club House Road, Anna Salai,
Chennai – 600 002.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asirvad Micro Finance Limited** (CIN U65923TN2007PLC064550) (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on March 31, 2025 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, 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 the Audit, we hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, 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 March 31, 2025 according to the provisions of:

(i) The Companies Act, 2013 and the Rules made there under.

(ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.

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

(iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and Exchange Commercial Borrowings.*

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

  (a) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (limited to obligations of the company)

  (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **

  (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.*

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

  (e) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

  (f) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (limited to obligations of the company)

  (g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, per se not applicable to the Company being only debt listed and having issued ESOP in terms of Section 62(1)(b) read with Rule 12 of (Share Capital and Debenture) Rules,2024.

(vi) The following Act, Rules, Regulations, Directions, that are specifically applicable to the Company based on its main objects:

  (a) The Reserve Bank of India Act, 1934

  (b) Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024

  (c) Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs – RBI Guidelines.

  (d) Master Direction- Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) directions, 2023

*Based on the information and explanation provided, the Company had no transactions during the period covered under the Audit requiring the compliance of the provisions of The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018.

** Chapter IV-Regulations 16 to 27 on comply or explain basis until March 27, 2025; Chapter V- Regulations 49 to 62A). Based on information provided, the Company is not a High Value Debt Listed Entity (HVDLE) as on March 31, 2025.

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

(i) the Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.

(ii) Listing Agreement for debt securities entered into with BSE Limited in respect of privately placed non-convertible debentures issued by the Company.

We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Director, Non-Executive Directors, Independent Directors and Woman Director. No changes were made to the composition of the Board of Directors during the period covered under the Audit.

Adequate notice and detailed notes on Agenda were given to all Directors at least seven days in advance to schedule the Board Meetings and consent was received from all directors in case the Board Meetings were called at shorter notice. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the Board Meeting and for meaningful participation at the Board Meeting.

Majority decision is carried through and recorded as part of the minutes. We understand that there were no dissenting members' views requiring to be captured in the minutes.

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

We further report that during the period covered under the Audit, the Company has made the following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above:

For **KSR & Co Company Secretaries LLP**

Dr. C. V. Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367G000284899
PR No.2635/2022

Date: 06th May, 2025
Place: Coimbatore

KSR/CBE/A-239/ /2025-26

To
The Members,
Asirvad Micro Finance Limited
9th Floor, No. 9,
Club House Road, Anna Salai,
Chennai – 600 002.

Our Secretarial Audit Report of even date **Asirvad Micro Finance Limited** (CIN U65923TN2007PLC064550) (hereinafter called "the Company") is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We had conducted our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic mode as enabled by the Company. We state that we have not done a physical verification of the original documents and records. The management has confirmed that the records provided to us for audit through electronic mode are final, true and correct.
3. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial year ended on March 31, 2025.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. Further compliance of provisions of Master Direction - Non-Banking Financial Company – Scale Based Directions, 2023 and Master Direction- Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) directions, 2023 is limited to compliance of corporate governance provisions and verification of filing of forms and returns thereunder.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KSR & Co Company Secretaries LLP**

Dr. C. V. Madhusudhanan
Partner
(FCS : 5367; CP : 4408)
UDIN: F005367G000284899
PR No.2635/2022

Date: May 06, 2025
Place: Coimbatore

Annexure-F

NOMINATION & REMUNERATION POLICY

Introduction

The Board of Directors of Asirvad Micro Finance Limited **("the Company")** has constituted Nomination and Remuneration Committee ("the Committee") pursuant to Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("LODR"), which is a combination of Non- Executive Directors and Independent Directors. The Committee has formulated and recommended to the Board a policy called **"Nomination &Remuneration Policy"** in adherence to Companies Act, 2013, the provisions of LODR and the regulatory framework for Non-Banking Financial Companies (NBFCs) issued by Reserve Bank of India (RBI).

This policy aims to ensure the payment of equitable, competitive remuneration to all Directors, Key Managerial Personnel (KMP), Senior Management and employees of the Company which is based on individual performance, Company's benchmark and Industry practices. It envisions that the synergy of versatile individuals with diversified skillsets at the board level will contribute to bringing the Company into great heights. Therefore, it is important to have a competent and highly professional team of board members who leads us.

Key Principles of the Remuneration Policy

The following are the set of principles that act as guiding factors:

- The remuneration of KMPs and Senior Management shall be generally aligned with the policy of the Holding Company;
- Minimize complexity and ensure transparency;
- Promote a culture of meritocracy and is linked to key performance and business drivers;
- Reflective of market competitiveness, so as to attract the best talent.

Objective and purpose of the Remuneration Policy

The following are the key objectives of the policy:

- To guide the Board in relation to the appointment and removal of Directors, KMP and Senior Management;
- To evaluate the performance of the members of the Board and provide the necessary report to the Board for further evaluation;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- To 'Pay for Performance' i.e. the remuneration shall be linked to the performance and to strike the right balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the goals of the Company;
- To ensure compliance and maintain high standards of governance.
- To set out the 'fit and proper' criteria based on which new directors proposed to be appointed and existing directors whose appointment is intended to be continued/ renewed can be evaluated

Appointment and Removal of Director, KMP and Senior Management Personnel

1. Appointment Criteria and Qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/ her appointment;

b) A person should possess the adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position;

c) The Company shall not appoint or continue the employment of any person as, Managing Director, Whole Time Director or Manager who has attained the age of seventy years. However, in case of Managing Director, Whole Time Director or Manager, who has attained the age of seventy years his/ her appointment may be made by passing a special resolution;

d) The Committee shall undertake a process of Due Diligence based on the criteria of qualification, technical expertise, track record, integrity etc and shall ensure that proposed or existing Director meets the fit and proper criteria as prescribed by the Reserve Bank of India.

e) The Company shall obtain the declarations in the manner prescribed by RBI as applicable to the Company from time to time from all appointees and review the same and will be subject to execution of covenants as prescribed in the relevant statute.

f) Assessment of independence

While considering the appointment of an Independent Director, the Nomination committee and the board shall ensure that the incumbent satisfies the test of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) 2015. The board shall on a continuous basis ensure that the Independent Directors continue to maintain their independence during their tenure on the board.

To achieve the above objectives, the board may obtain proper declarations from the appointee/ Directors at the time of appointment and at such intervals as the board may deem fit.

g) The Company has extensive borrowing relationships with almost all the leading Banks in India. Commonality of Directorships with any Bank and/or any of its subsidiary/s, is likely to impede timely flow of working funds from such Bank/s to the Company due to regulatory directions in respect of credit sanction by a Bank leading to changes in Bank's internal approval chain and delays. As the seamless flow of working funds is important, the company shall refrain from considering any candidates for on-boarding as a Director who is already serving on any Bank or any of their subsidiary Company/s Board or NBFC- Non-Operative Financial Holding Company ("NOFHC"). In the event of any candidate joining after leaving a Bank or subsidiary board or NOFHC with whom the company has borrowing relationships such induction shall be effective after a cooling period of 3 Months from the date of exit from the Bank/ NOFHC Board. In case any serving member is desirous of joining the Board of any Bank or any subsidiary of such Banks or NOFHC, such member may exercise choice between the Company and the Bank/ NOFHC with due notice to the Company.

Institutionalised Process and procedure for sourcing (including internal candidates) screening, selection and appointment of KMPs.

Any appointment to the role of Key Managerial Personnel, excluding the position of Managing Director shall be proposed to the Nomination and Remuneration Committee of the Board after an initial screening and selection by a panel constituting the Managing Director and Head of HR.

Institutionalised Process for sourcing, screening, selection and appointment for whole time Directors (MDs and Eds (if applicable)).

Any appointment to the role of Managing Director/ Executive Director (if applicable) shall be proposed to the Nomination and Remuneration Committee of the Board after an initial screening and selection by a panel constituting of 3 or more Directors as may be decided by the Board, which shall mandatorily include the Chairman of Nomination and Remuneration Committee and Chairman of the Board.

The Nomination Committee shall periodically review the mix of Executive/Non -Executive, Independent/ Non-Independent Directors vis-à-vis the extant regulations. The Committee shall also review the skillsets required for a proposed candidate and the process for sourcing, selection and appointment of Independent / Non -Executive Directors, once a vacancy is identified including impending vacancies based on future retirements.

2. POLICY FOR "FIT AND PROPER" CRIETRIA IN RESPECT OF DIRECTORS

The Board of Directors has adopted the following policy with regard to ascertaining the Fit and Proper criteria of Directors at the time of their appointment in the Board. This is required to ensure that the Directors of the Company who are responsible for steering the affairs of the Company are fit and proper, besides having the necessary qualifications, technical expertise, track record, integrity etc.

This Policy have been framed as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company -Scale Based Regulation) Directions, 2023, issued by Reserve Bank of India ("RBI"). This Policy has been created in line with the guideline provided by the RBI and shall be reviewed by the Nomination and Remuneration Committee (NRC) periodically including in the context of any additional guideline or directions which may be issued by the RBI from time to time.

The Company believes that this policy will aid the Company's constant endeavour to ensure that only individual of high caliber and who possess the right blend of qualifications, expertise, track record and integrity are appointed on the Board.

The Company, while appointing/ continuing directors, shall ensure that the procedures mentioned below are followed:

1. An independent director shall not be on the Board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time. Further, the Board shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time. There shall be no restriction to directorship on the Boards of NBFC-BLs, subject to applicable provisions of Companies Act, 2013. To ensure this, the Committee shall obtain a declaration from any new incumbent to the Board in the category of Independent Director.

2. In case of appointment of executive Directors, non-executive Directors or Independent Directors, the Nomination committee and the board shall ensure that they meet the fit and proper criteria prescribed by the Reserve Bank of India from time to time and maintains the position during their tenure in office. The Company shall obtain the declarations in the manner prescribed by RBI as applicable to the Company from time to time from all appointees and review the same.

3. The Company shall undertake a process of due diligence to determine the suitability of the person for appointment/ continuing to hold appointment as a director on the Board, based upon qualification, expertise, track record, integrity and other "fit and Proper" criteria.

4. To comply with the above, the necessary information and declaration from the proposed/ existing Directors for ensuring eligibility shall be obtained as per the format prescribed by RBI.

5. The process of due diligence along with scrutiny of the declarations shall be undertaken by the Nomination and Remuneration Committee at the time of appointment/ renewal of appointment. Accordingly, the Nomination and Remuneration Committee shall decide on the acceptance or otherwise of the Directors.

6. Every year as on March 31, a simple declaration from the directors shall be obtained that the information already provided has not undergone any change and wherever there is any change, requisite details are furnished by them forthwith.

7. It shall be ensured that a 'Deed of Covenant' is executed with the nominated/ elected directors as per the format prescribed by RBI. The Managing director is authorised to sign the Deed of Covenants on behalf of the Company.

8. Independent/Non-Executive Directors appointed to the Board shall be between 25 to 75 years of age at the time of initial appointment. Appointments of any new Directors will be made for a tenure of 3 or 5 years at the discretion of the NRC/Board. Serving members are eligible to be reappointed for a similar or lower period at the discretion of the NRC/Board upon their completion of the initial term.

9. In case any member of the Board is expected to cross the age of 75 years during the course of his/her tenure, the appointment will be only made subject to special resolution of the shareholders which shall be moved at the time of appointment itself.

10. The Company shall have at least one Woman director on the Board in compliance with the Regulatory Directions.

11. The Nomination and Remuneration Committee shall be authorized to undertake any action/ step required to be taken to comply with the requirements prescribed under the RBI Circular or any amendments thereof.

12. The various 'Fit and Proper' criteria which need to be reviewed by the Nomination and Remuneration Committee before an appointment of a person as Director or after a person is appointed as Director on continuing basis shall include the following:

    (a). Whether the Person is qualified to be appointed as Director or not attracting any disqualifications as prescribed under various provisions of Companies Act, 2013 and LODR;

    (b). Whether any Proceedings have been initiated against the person in the past and/ or pending as on date involving any civil, criminal, economic offence, taxation authorities or relating to any other regulatory body such as Securities and Exchange Board of India ("SEBI"), Insurance Regulatory and Development Authority ("IRDA"), Ministry of Corporate Affairs ("MCA") etc.;

    (c). Whether the person or the entities in which he is interested have been subject to any investigation at the instance of any Government Department or Agency;

    (d). Whether the person or the entities in which the person is interested have been prosecuted/ convicted for the violation of any economic laws and regulations.

    (e). Whether the person at any time been found guilty of violation of rules/regulations/ legislative requirements by customs/ excise /income tax/foreign exchange /other revenue authorities.

13. The Committee will assess and evaluate the eligibility of the person based on the above mentioned Fit and Proper criteria before any appointment or renewal of appointment of director and subsequently the aforesaid criteria will be reviewed/evaluated by the Committee on continuing basis.

14. The Committee may also review credit bureau reports and defaulter status in bank records etc., as part of further due diligence.

15. Except for directorship in a subsidiary, Key Managerial Personnel shall not hold any office (including directorships) in any other NBFC-ML or NBFC-UL. There shall be no restriction to directorship on the Boards of NBFC-BLs.

3. Tenure

a) Managing Director / Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time at the discretion of the Board. No re-appointment shall be made earlier than one year before the expiry of the term.

b) Independent Director:

An Independent Director shall hold office for a term up to maximum five consecutive years on the Board of the Company and will be eligible for re-appointment for another term of maximum five year on the passing of a special resolution by the Company. Independent Directors shall not retire by rotation.

The Chairman/ Managing Director of the Company shall issue and sign the appointment letter of Independent Directors.

4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said act, rules and regulations.

5. Succession planning for appointment to board and senior management positions.

The board may identify suitable persons to be appointed to the board positions for filling up vacancies.

The vacancies caused by the exit of an Independent Director may be filled by the appointment of an Independent Director. However, if the vacancy does not affect the strength of minimum required Independent Directors, the board may or may not fill the vacancy as it may deem fit.

Suitable candidates may be identified by the Directors from reputable references or from data banks maintained by industry associations, professional bodies or nongovernmental organizations or by inviting applications through any media.

Vacancies in senior positions in the Company may be filled by a system of promotion of existing employees based on appropriate screening procedures set by the Nomination committee from time to time. In the event of no suitable candidate being found fit for promotion, a suitable person from any of the group companies, or from outside may be chosen.

Company may identify critical positions and shall devise a system of proper mentoring to identify officers of the Company to take up the senior positions wherever a vacancy is caused to ensure the business continuity in the best interest of the Company.

Remuneration to the Directors, KMP and Senior Management Personnel

i) Executive Directors and Non- Executive Directors/ Independent Directors

- The remuneration and commission of Executive and Non- Executive Directors/ Independent Directors shall be recommended by the Committee to the Board of Directors and shall be subject to the provisions of Companies Act, 2013.
- The remuneration for Executive Directors shall be arrived at by considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry, future contribution, etc. The elements of the remuneration and limits are applicable as defined in the Companies Act, 2013 and rules/ schedules made thereunder.
- The remuneration of Executive Directors shall be divided into two components i.e. fixed and variable. The fixed component comprises salary, allowances, perquisites, provident fund, gratuity etc. The variable component comprises annual performance pay which may be a fixed amount as decided by the Board. In addition to this, the Executive Director may also be offered and allotted shares under the Employee Stock Option Scheme (ESOS) of the Company.
- At the beginning of each financial year NRC with the approval of the Board shall prescribe KPIs for MD and Executive Directors.
- Any variable pay shall be in compliance with Annex XXIV of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023
- The Non-Executive and Independent Directors of the Company would be paid sitting fees within the permissible limits prescribed under the Companies Act, 2013 and rules framed thereunder for attending meetings. The sitting fee shall be decided by the Board from time to time on the recommendation of the Committee.
- In case of profits/inadequate profits/ losses, the Directors may also be paid remuneration by way of Commission as defined in the Companies

Act, 2013 read with Schedule V of the said act. The Committee shall recommend to the Board for the payment of Commission to Directors.

- The Board of Directors shall decide the actual amount to be paid to each Non-Executive/ Independent Director based on factors such as meetings attended by the Director, time and effort put in and contribution made by them.
- Independent Directors shall not be entitled to stock options.

ii) KMP and Senior Management

Compensation Policy for KMP and Senior Management is annexed as Annexure B.

Membership & Quorum:

The Committee shall consist of :

(a) the committee shall comprise of at least three directors.

(b) all directors of the committee shall be non-executive directors; and

(c) at least two-thirds of the directors shall be independent directors

Chairperson:

The Chairperson of the nomination and remuneration committee shall be an independent director.

The chairperson of the Company, whether executive or non-executive, may be appointed as a member of the Nomination and Remuneration Committee and shall not chair such Committee. Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required but at least once in a year.

Annexure - A

POLICY ON DIVERSITY OF BOARD OF DIRECTORS

This policy on diversity is largely framed to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of the members in a way that collectively benefits the organization and business. The basic essence is to provide a framework for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business. A truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that the Company retains its competitive advantage.

The Company believes that a diverse Board will amongst others–

a. Enhance the quality of decisions making and ensure better business performance.

b. Encourage diversity of perspectives thereby fuel creativity and innovation.

c. Complement and expand the skills, knowledge and experience of the Board as a whole.

d. Provide better Corporate Governance.

The board of Directors of the Company should have a fair combination of executive and non-executive Directors with not less than 50 percent being Non-Executive Directors. The Company shall maintain the strength of Independent Directors on its board keeping in mind the regulatory requirements and guidelines on Corporate Governance.

The Company shall appoint Directors keeping in mind an ideal diversity in knowledge or expertise that could add value to the overall performance of the board and of the Company. The desired diversity may be fixed by the Nomination and Remuneration Committee ("the Committee") based on the nature of business of the Company from time to time. The diversity of the total board may include the following;

Expertise in; Leadership

i. People Practices
ii. Financial Control
iii. Diversity including gender and occupation
iv. Technology
v. Governance
vi. Sales and Marketing
vii. Regulatory
viii. Law
ix. Financial Services
x. Sustainability

Considering the need for professional experience in managing the affairs of NBFCs, at least one of the directors shall have relevant experience of having worked in a bank/ NBFC.

All Board appointments will be done on merit, in the context of skills as required for the areas of our business operations, management and also expertise in the fields of regulatory, legal, research, human capital management, strategic planning, marketing and general administration.

The Committee is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

Any new member proposed to be inducted in the Board, preferably to be with Corporate Board Experience of at least 3 years in any related customer facing and regulated company.

The Nomination Committee is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions with the prescribed requirements in consultation with the Board.

While all appointments to the Board will continue to be made on merit, the Committee will consider the benefits of diversity (including but not limited to the attributes listed above) in identifying and recommending persons for Board membership, as well as in evaluating the Board and its individual members.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a Board member.

Accordingly, the Committee shall:

1. assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board,

2. make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience and expertise on the Board, and

3. periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

Annexure B

Asirvad Micro Finance Limited

Compensation policy

(Applicable for Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) and Other Employees)

Effective from: This Policy is effective for the financial year 2024 and onwards.

1. Objective of the policy

The policy seeks to achieve the following objectives.

a) To establish guidelines for remunerating employees fairly and in keeping with Statutes

b) To determine a level of compensation based on the Company's business outlook, financial position, growth and trends and practices on remuneration prevailing as the best practices in competitive compensation based on fairness and equity

c) To align reward and recognition mechanism directly to the effort, commitment, performance, dedication, and achievement relating to the Company's operations

d) To attract, retain, motivate, and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

e) To 'Pay for Performance' i.e., the compensation shall be linked to the performance and to strike the right balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the goals of the company.

f) To ensure compliances and maintain high standards to governance. In the context of the aforesaid, the following policy has been formulated

2. Scope of the policy

This Policy is applicable to all Key Managerial Personnel (KMPs) including While time Directorsand , Senior Management personnel (SMPs) of the Company (hereinafter together referred to as "Covered Employees").

3. Definition(s)

3.1. "Key Managerial Personnel" (KMP) as defined in section 2(51) of the Companies Act, 2013 ("the Act") means:

(i) the Chief Executive Officer or the Managing Director or the manager

(ii) the Company Secretary.

(iii) the Whole-time Director.

(iv) the Chief Financial Officer.

(v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and: and

(vi) such other officer as may be prescribed.

3.2. "Senior Management" shall mean officers/ personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and persons identified and designated as key managerial personnel, other than the board of directors, by the company.

3.3. Nomination and Remuneration Committee ("NRC") shall mean a committee of the Board having the constitution, powers, functions, and duties as laid down in section 178 of the Companies Act, 2013, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Guidelines and other applicable legal provisions.

3.4. A "malus" arrangement shall mean where the Company prevents the vesting of all or part of the amount of a deferred remuneration /Benefit.

3.5. A "clawback" arrangement shall mean a contractual agreement between the Covered Employees and the Company in which the Covered employee agrees to return previously paid or vested remuneration to the Company under certain circumstances or empowers the Company to recover previously paid or vested remuneration by the company under certain circumstances.

3.6. "Retention period" shall mean a period of time after the vesting of instruments which have been awarded as deferred compensation during which they cannot be sold or accessed.

4. Underlying Principles for the policy

The policy is prepared based on certain specific principles in the context of our operations as detailed below.

- To align the compensation with the long-term interests of the Company and its shareholders/ stake holders.
- To be transparent as far as possible simultaneously ensuring less complexity.
- Align the parameters to annual business performance of the company.
- To ensure meritocracy and is linked to key performance and business drivers.
- Reflective of market competitiveness so as to attract the best talent.

5. Compensation Structure

The broad structure of compensation payable to Covered Employees shall be as under:

5.1 Fixed Pay which has components like basic salary and other allowances as per the grade and position fixed by the Company based on the scale and position of the employee in the company in accordance with the HR policy in force and may include benefits such as company provided car, medical & dental benefit, loans, insurance benefits, vehicle fuel and maintenance expenses, club membership, mobile instruments, etc., as per the Policy of the Company. Retirals such as PF, Gratuity & contribution towards pension fun. Joining / sign-on bonus for new KMP / Senior management hiring may not be part of fixed pay..

5.2 Variable Pay

Cash component:

a) Annual component - based on individual performance against Key Performance Indicators (KPIs) agreed between the employee concerned and the Company which shall be made operative subject to overall company's performance being in line with budgetary objectives. While the KPIs will be set by the NRC in respect of Whole time Directors, KPIs in respect of KMPs and SMPs who are subject to variable pay shall be fixed by Managing Director in consultation with NRC. Such amounts are paid in cash at the end of the review period to the concerned employee and will be based on the assessment with the approval of the NRC/ Board

b) Joining / sign-on bonus for new KMP / Relocation incentive/severance pay etc. Such payments are paid in cash or reimbursement wherever applicable as per the rules of the company applicable.

c) Deferred annual compensation: Certain portion of the performance based variable pay, (Annual component) as decided by NRC/Board, may be deferred. Such deferral may be made applicable to cash and non-cash components of variable pay. The quantum and the deferral period of such deferral arrangement may be decided by the NRC/Board. Conditions applicable for the payment of such deferrals including in the event of severing relationship with the company, any unforeseen events associated with the beneficiary of the payment may be decided by the NRC/ Board. The vesting of deferred cash component of variable pay would continue as per schedule decided by the NRC/Board at the time of deferral even after separation of the employee from the services of the company except in the event of this separation being on account of Malus or Claw back provisions being applicable. In the event of death or permanent disability of the individual unvested portions of variable pay will vest immediately except in situations where provisions of Malus / Clawback as applicable will apply.

d) Employee Stock Options (ESOP) granted under approved ESOP schemes of the Company with attendant conditions and vesting schedule post the grant.

e) Restricted stock unit (RSU): Involving awarding of shares, as a form of employee compensation with attendant conditions to be met by the employee concerned. Such RSUs are issued to employees through a vesting plan and distribution schedule after they achieve required performance milestones or upon remaining with their employer or a particular length of service etc. The company do not have any existing arrangement to issue RSUs and in the event of any such arrangement being sought it shall be with the prior approval of the NRC/Board.

5.3 Principles and procedures applicable for Variable pay

a) Variable pay as a proportion of total remuneration increases as roles and responsibilities increase.

b) The percentage distribution of total remuneration could vary basis roles and responsibility and performance in a given financial year

c) Wherever any employee is paid a variable pay it shall be subject to well defined performance indicators clearly articulated with the employee. Such KPIs shall clearly link the performance with the total remuneration paid to an individual. This is shared at the start of the year with KMP and members of senior management Personnel (SMP).

d) The annual performance management process of the company gets initiated at the start of the financial year with goal setting. At the end of the year, the individual is evaluated on the performance delivered basis individual, business/ function unit's and company's performance. In addition, the individual is also rated on leadership demonstrated during the year.

5.4. Procedure for application of Variable pay to Individual cases.

At the beginning of each accounting year Management in consultation with NRC shall devise the detailed sets of KPIs applicable to employees being considered for payment of variable pay (in cash or non-cash) along with the parameters applicable to each employee. The exercise will cover, besides setting goals/KPIs for the year under review, the quantum of variable pay in cash, the portion of variable pay to be considered for deferral, the non-cash component of variable pay (ex. ESOP etc.) applicability of Malus. Clawback etc within the overall ratio of fixed versus variable pay prescribed in the policy/regulations. Accordingly, the final KPI will be signed off by the Management with the employee individually.

At the end of the accounting year (review year) management through the reporting authority will carry out the assessment of performance of individual employee vis a KPIs assigned and signed off at the beginning of the year. This exercise by the reporting authority/s will determine the final amount of the variable pay for the year and the split between cash, non-cash and also the portion of the amount subjected to deferral, claw back and Malus, the period for which these will prevail. The amount so decided will be communicated to the employee.

5.5. Compensation for Control and assurance function personnel:

a) The goal setting and performance appraisal process of the company ensures that KMPs and senior management engaged in financial control, risk management, compliance and internal audit have performance measures that are independent of the business areas they oversee.

b) The RMC and Audit committee of the Board reviews their performance independently and advises the company on their performance which in turn results in the variable part of their compensation.

6. Role of NRC:

a) NRC shall be responsible for framing, review, modifying and implementation of this Policy, subject to the approval of the Board of the Company.

b) NRC shall recommend to the Board, all remuneration, in whatever form, payable to KMPs and Designated Senior management personnel (SMPS).

c) NRC shall ensure that related RBI Guidelines pertaining to the composition and proportion of fixed and variable pay shall be adhered to while determining the compensation of the KMPs and SMPs, including but not limited to the following conditions:

- The compensation shall achieve a fine balance between the attractiveness for the concerned employee on one hand and profitability & capital adequacy of the Company on the other hand.
- For all reimbursements, which are part of the fixed pay, there should be a monetary limit specified in the internal grade-wise policies of the Company.
- Proportion of variable pay vis a vis Fixed pay shall be dependent on the level of the employee, roles they carry.
- Any variable pay will be subject to delivery of Key Performance indicators as decided by the NRC/Board. Such KPIs will be set at the beginning of the financial year after due discussion with the concerned officer.
- Care shall be taken to ensure that critical control functions are not rewarded for business performances.
- NRC in consultation with the Board shall also determine representative set of situations for invoking the malus claw back arrangements as detailed separately in this policy under para;

7. Malus and Clawback provisions. :

7.1. Malus: A malus is a feature of a remuneration arrangement that reduces the amount of a deferred incentive/ bonus, so that the amount of the payout is less than the amount of the bonus/ incentive awarded. Accordingly once Malus is invoked/triggered the amount of the payout is less than the amount of the incentive. Examples are stock options granted and is waiting to be vested. Malus arrangement does not reverse a vested right after it has already occurred.

7.2. The term clawback or claw back refers to any money or benefits that have been given out but are required to be returned (clawed back) due to special circumstances or events, such as the monies having been received as the result of a defined event triggered due to a clawback provision in the compensation. This policy proposes to make the variable (in full or part) part of the compensation subject to Malus /Clawback arrangement. While a malus arrangement permits the company to prevent vesting of all or part of the amount of a deferred remuneration and clawback, on the other hand, is a contractual agreement between the employee and the Company in which the employee agrees to return previously paid or vested remuneration to the Company under certain circumstances.

7.3. Applying of Malus / Clawback arrangement on entire or part of variable pay on occurrence of the following Situations: identified fraud / misconduct by the executive (whole-time directors, Chief Executive Officers / Material Risk Takers (MRTs)) pertaining to the corresponding period for which the clause to be applied. Malus & Clawback awards of variable pay will be subject to ex-ante / ex-post risk based assessment, on an annual basis at the time of allocation / vesting. 'Malus' (the reduction or cancelation of unvested awards) or 'Clawback' (recovery of payments already made) shall be implemented as under;

The Company shall, as a matter of principle prior to any action under this provision, will ensure due regard to the principles of fairness and Natural Justice in the administration of the process of implementing the provisions.

8. Circumstances under which application of Malus and Clawback is to be considered:

Variable pay part of Compensation will be subject Malus and Clawback arrangements in the event of occurrence or circumstances as detailed below;

NRC may duly take into consideration factors that were within control of the person (the subject employee), and/ or beyond reasonable control on account of conditions such as macro events, market conditions, industry performance, changes in legal/regulatory requirements, force majeure events like occurrence of natural disasters, pandemic, other socio-economic conditions etc in administering the Malus and clawback provisions.

Certain instances of such events (not exhaustive) are given below;

a) Material breach of company's Code of Conduct, any Non-Disclosure Agreement, regulatory procedures, internal rules and regulations or any other such instance for which the NRC, in its discretion, deems it necessary to apply Malus or / and Clawback provisions.

b) Fraud, breach of trust, dishonesty, or wrongful disclosure by the employee of any confidential information

c) Willful misinterpretation / misreporting of financial performance of the company

d) Any misconduct pertaining to moral turpitude, theft, misappropriation, corruption, forgery, embezzlement or of 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, grossly negligent conduct which is detrimental to the interest or reputation of the company.

g) Malus may also be applied in the situation of significant deterioration of financial or risk. performance from one financial year to the next. The performance measures defined as part of goal setting process of the company, business threshold metric and sustainable business strategy framework would form the primary considerations for evaluating the application of Malus in this condition

h) Any events such as relating to information security events, fraud, consumer abuse, regulatory inspection observations (including awarding of lower (adverse) grades by the regulator) resulted on account of lack or deficiency or inadequacy of oversight by the subject person

i) Any other events in the opinion of NRC/Board that has resulted in significant financial and or reputational loss

j) Above events are to be considered by the NRC for application of Malus and Clawback where they result in significant loss to the company or its shareholders.

k) Circumstances that may trigger Malus or Clawback provisions will be reviewed periodically by the NRC.

09. Application of Malus & Clawback provisions

a) NRC will review the requirement to invoke the Malus or Clawback provisions in the event one or more of the circumstances come to light.

b) The review by the NRC will aim to determine the involvement, accountability, severity and willful nature of the act of the concerned person/s.

c) Bonafide errors of judgment will not be subject to Malus provisions.

d) The provision of a Malus arrangement would entail cancellation of deferred portion of variable pay. The NRC may decide to apply Malus on part, or all of the unpaid cash portion of variable pay or unvested ESOPs basis level of involvement, proportionality and impact.

e) The provision of Clawback arrangement would entail return of already paid variable pay in cash and/ or ESOPs attributable to a given reference year to which circumstances triggering the provisions of Malus and Clawback are related.

f) The NRC may decide to apply Clawback on part, or all of variable pay basis level of involvement, proportionality and impact.

g) NRC/Board at its discretion shall decide any threshold amount below which the retention period of deferral, vesting period of any non-cash based incentives and application of clawback on paid incentives.

10. Operational procedure Malus/Clawback

a) As detailed in para 5.4 the exercise will decide the detailed arrangements for invoking deferral payment (retention) of cash incentives, malus and claw back provisions. Once the exercise is finalized appropriate advice/agreement will be signed with the subject employees upon granting.

b) Subsequent to granting the arrangement concluded at the end of the accounting year will be reviewed by the NRC/Board every year to decide on invocation of one or more arrangements with the beneficiary employees.

c) In the event of a decision by the NRC/Board to invoke the arrangement vis a vis any of the subject employee management will initiate actions with appropriate notices to the employee concerned.

d) Period: Retention, Malus and clawback provision on any individual cases shall apply for a period of 3 years after the date of grant of the underlying variable pay to the employee concerned.

Provided that variable pay upto and inclusive of ₹25 lakhs may be exempt from the application of these provisions.

11. Approval and Amendments

a) The Board may, subject to applicable laws, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the policy entirely with a new policy, based on the recommendation(s) of NRC, from time to time.

b) Statutory/ regulatory provisions and any amendments thereon, made from time to time shall be binding on the Company and will be complied even if not specifically incorporated in this Policy.

12. Limitation

In the event of any conflict between the provisions of this Policy and the Regulatory prescriptions (including The Companies Act 2013, SEBI LODR and directives of The Reserve Bank of India) the regulatory provisions will prevail over the policy.

13. Review of the policy:

The policy will be reviewed annually by the Board or earlier as the Board may chose.

Annexure-G

DETAILS OF THE EMPLOYEES STOCK OPTION SCHEME IN TERMS OF RULE 12 (9) OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014

The Company has granted the options under "Asirvad Employee Stock Option Scheme, 2019" and following are the details pertaining to Financial Year 2024-25

Option granted	8,30,000 (Overall options granted under the Scheme) NIL granted during FY 2024-25
Option outstanding	17,500 Options (Outstanding as on April 01, 2024)
Options vested	Nil
Options exercised	Nil
The total no. of shares arising as a result of exercise of option.	Nil
Option lapsed	17,500 Options
The exercise price	₹ 364/ per option
Variation of terms of option	NA
Money realized by exercise of options	NA
Total no. of options in force	Nil (Outstanding as on March 31, 2025)
Employee wise details of options granted to:-	
a) KMP	Nil
b) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Nil
c) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V. P. Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date : May 08, 2025
Place : Valapad

Annexure-H

A. CONSERVATION OF ENERGY

i. The steps taken or impact on conservation of energy

The Company is primarily into giving microfinance loans, hence the scope for conservation of energy is minimal.

ii. The steps taken by the company for utilising alternate sources of energy

The Company is primarily into giving microfinance loans, hence the scope for utilising alternate sources of energy is minimal.

iii. The capital investment on energy conservation equipment

NIL

B. TECHNOLOGY ABSORPTION

i. The efforts made towards technology absorption

We have built a robust digital infrastructure to tackle the complexities of microfinance, particularly given your extensive rural borrower base. The strategic investments in technology have significantly enhanced every stage of the loan lifecycle, from initial borrower onboarding to ongoing management, encompassing appraisal, approval, disbursement, monitoring, and recovery. Achieving ISO 2001:2013 certification from BSI underscores your commitment to strong information security practices.

At the heart of the operations is a core banking solution-based Loan Management System (LMS). This central system is seamlessly integrated with critical business functions, including both digital and offline collections, HR and attendance management, a dedicated learning platform, borrower support and grievance resolution, accounting, treasury, asset management, and legal tracking. Furthermore, the LMS connects with external digital service providers to streamline essential processes such as borrower credential and creditworthiness verification, bank account validation, digital and offline collections, workflow automation, paperless approvals, and digital meetings.

The financial accounting package and HRMS are also largely integrated with the LMS, creating a cohesive operational ecosystem. This sophisticated IT infrastructure has been developed through the collaborative efforts of your internal team and external reputed IT vendor.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

The digital approach to microfinance delivers significant advantages in efficiency, accuracy, and risk management throughout the borrower lifecycle.

- For borrower onboarding, the Company has implemented a paperless data capture system that accelerates the process. By leveraging APIs, you digitally verify key identification documents like Aadhaar and voter IDs, ensuring accurate and immediate updates of borrower names and addresses. Mobile number verification via OTP adds another layer of security, while real-time credit bureau checks allow for immediate assessment of new borrower delinquency levels.

- The system incorporates robust risk controls through automated KYC verification and built-in age criteria checks. Utilizing two KYC details enhances the accuracy of credit bureau reports, and deduplication checks across primary and secondary KYC, mobile numbers, and bank account numbers further mitigate risk. This automated and digitally-driven onboarding process eliminates the need for separate front-end acquisition and back-end KYC teams, providing immediate verification responses.

- The data infrastructure is designed to capture comprehensive borrower information, including house type, assets, income, expenses, and existing EMI details. This enables to effectively assess the reliability of income and expense data.

- For ongoing operational efficiency, system provides real-time tracking and monitoring of group meetings, attendance, demand, collections, and delinquencies at each center.

- Asirvad offer borrowers the flexibility of online digital payments through its own application and integrated third-party mobile and web-based payment platforms.

- Empowering borrowers with self-service capabilities, 'Asirvad Customer Self Service App' allows them to conveniently view and monitor their account statements.

- Finally, the workforce management tool enables effective tracking of field officer activities, contributing to overall operational oversight.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a) the details of technology imported

b) the year of import

c) whether the technology been fully absorbed

d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

Not Applicable

iv. The expenditure incurred on Research and Development

Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Description	Nature	Currency	Amount in ₹
Interest	Outgo	EUR and USD	6,92,42,701.94
Hedging Cost	Outgo	EUR and USD	2,59,49,611.39

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V. P. Nandakumar
Chairman
DIN: 00044512

B N Raveendra Babu
Managing Director
DIN: 00043622

Date: May 08, 2025
Place: Valapad

Annexure I

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Asirvad Micro Finance Limited
9th Floor, No. 9,
Club House Road, Anna Salai,
Chennai – 600 002.

We have examined documents, books, papers, minutes, forms and returns filed and other records maintained by the Company and all the relevant records for certifying the compliance of conditions of Corporate Governance by **Asirvad Micro Finance Limited (CIN U65923TN2007PLC064550)** (the Company) for the year ended March 31, 2025, as stipulated in Regulation 34 (3) read with Para E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. The management along with the Board of Directors are responsible in implementation and maintenance of internal control and procedures to ensure compliance with conditions of corporate governance as stated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

Our Responsibility

Our examination was limited to implementation of the conditions thereof and adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated under Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, ("Listing Regulations"). It is neither an audit nor an expression of opinion on the financial statements of the Company.

Our Opinion

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance as specified in regulations 16 to 27 on a comply or explain basis, regulation 62 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KSR & Co Company Secretaries LLP**

Dr.C.V.Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367G000284943
PR No.2635/2022

Place: Coimbatore
Date: May 06, 2025

Independent Auditor's Report

To the Members of **Asirvad Micro Finance Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **M/s. Asirvad Micro Finance Limited** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its loss, including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of section 143 of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

Expected Credit Loss - Impairment of carrying value of loans and advances

Refer to Note 3(i) of significant accounting policies and Note 39.

Under Ind AS 109, Expected Credit Losses ('ECL') are required to be determined for recognizing impairment losses on financial assets which are stated at amortized cost. The Company exercises significant judgment using assumptions in recognizing impairment provision for loans and advances.

The computation of impairment provision or ECL is based on significant management estimates and judgments, which are as under:-

- Judgements about credit risk characteristics for collective evaluation of impairment under various stages of ECL
- Qualitative and quantitative factors used in staging the loan assets carried at amortized cost.
- Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD").
- Consideration of probability scenarios and forward looking macro-economic factors

ECL requires a large variety of data such as historical data, macro-economic & state specific variables as an input to the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.

In view of the criticality of the item to the Financial Statements, complex nature of assumptions, & judgements exercised by the management and loans forming a major portion of the Company's assets and impairment charge for the year being material to the net loss for the year, in our opinion this is considered as a Key Audit Matter.

Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate.

Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. These procedures included the following:-

- Read the Company's Board approved Ind-AS 109 based impairment provisioning Methodology and Estimates policy.
- Understood and assessed the Company's processes and controls on measurement and recognition of impairment in the loan portfolio
- Verified on a sample basis, loans in stage 1, 2 and 3 to ascertain that they were allocated to the appropriate stage
- Test checked the Probability of Default ('PD') and Loss Given Default ('LGD') computations performed by the management, including testing data used in assessment and evaluation of whether the results support appropriateness of the PDs at a portfolio level.
- From the current financial year, the component of Macro Economic Factor is also included in computation of the percentages for Expected Credit Losses in view of the market trends in the sector.
- Test checked the computations of determining Exposure at Default (EAD)
- Test checked the manner of determining significant increase in credit risk and the resultant basis for classification of exposures into various stages.
- Performed an assessment of the ECL provision at each stage to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
- Tested the arithmetical accuracy of the computations made by the Company
- Perused the disclosures in the financial statements in respect of ECL and specific disclosures made in adherence with RBI guidelines related to COVID-19 packages.
- We have also obtained management representations wherever considered necessary.

IT Systems and Controls

The Company operates in a complex IT environment that involves substantial reliance on its IT systems which are extensively used in the operations of the Company for processing and recording voluminous data impacting key financial data including loans, interest income, repayment collections data and impairment of financial instruments. These IT systems are also extensively used in the financial reporting process.

Adequate IT General Controls, application controls and access controls are required to ensure that such IT systems are able to process the data to ensure data consistency, accuracy and reliability especially for financial reporting.

We have identified IT Systems and Controls impacting financial reporting as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture including its extensive use in the financial reporting process. Our audit outcome is dependent on the effective functioning of such IT systems.

We performed audit procedures set out below:

- Obtained an understanding of the Company's business IT environment and key changes if any during the audit period that may be relevant to the audit.
- Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis.
- We have tested and reviewed on the sample basis computation performed by the IT systems including that of interest income.
- We have placed reliance on audit report issued by the independent third-party auditor as appointed by the Company for review of Information Security and IT General Control.
- We have also obtained management representations wherever considered necessary.

Emphasis of Matter

We Refer to the note no. 66 that describes the cease-and-desist from sanction and disbursal of loans, vide RBI order dated October 17, 2024. Subsequently to the same, the company has initiated remedial action and submitted their various compliances to the RBI. Now, having satisfied itself based on company's submissions; the RBI has lifted the afore-mentioned restrictions placed vide their order (CO.DOS. DSD.No. S7210/51-01-002/2024-25) dated January 8, 2025.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and The Board of Directors are responsible for preparation of the other information.

The other information comprises the information included in the Annual Report but does not include the Standalone

Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated when we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) "The Auditor's Responsibilities Relating to Other Information".

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

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

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

In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements are as 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 the standalone financial Statements.

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

- Identify and assess the risks of material misstatement of the standalone financial Statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 standalone financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial

Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The numbers and details pertaining to quarter ended March 31, 2024 and details pertaining to year ended as at March 31, 2024 and notes related thereto in the Statement have been traced from the financial statements of the Company audited by the predecessor auditors vide their unmodified audit report dated May 22, 2024.

Report on Other Legal and Regulatory Requirements

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

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS 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 at March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;

   f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended;

   g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate report in **'Annexure B'**

3. 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:

   a) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 41 to the Standalone Financial Statements as at March 31, 2025;

   b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2025;

   c) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025; and

   d) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the standalone financial statements (Refer Note 61 to the Standalone Financial Statements), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company

to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 notes to the accounts (Refer Note 61 to the Standalone Financial Statements), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

e) The Company has neither declared any dividend nor paid any dividend during the year.

f) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention, based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, including the capturing of database Administrator Activities and disabling of the edit option for the audit logs by the Database Administrator. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act;

For **A.John Moris &Co,**
Chartered Accountant
FRN No.007220S

(CA K.V. Sivakumar)
Partner
M.no.027437
UDIN : 25027437BMITTA4872

Date : May 06, 2025
Place : Valapad

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT – MARCH 31, 2025

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report to the members of the Company of even date:

i. a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment including intangible assets.

b) In our opinion, the Company's program of physically verifying Property, Plant and Equipment once in three years, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, the physical verification of Property, Plant and Equipment were physically verified by the Company during the current year, and no material discrepancies were found.

c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) classified as Property Plant and Equipment, are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

e) According to the information and explanations given to us and based on management representations, there are no proceedings initiated or pending against the Company as at March 31, 2025, for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. a) The Company is in the business of providing micro finance loans and therefore, it does not hold any physical inventories. Accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions based on the security of current assets. According to the information and explanation given to us and the records examined by us, the quarterly returns, or statements, were not required to be filed by the Company during the year as these working capital limits utilised during the year were against liquid securities placed with such banks or financial Institutions.

iii. a) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii) (a) of the Order is not applicable to the Company.

b) The investments made, guarantees provided, security given and loans and advances granted in our opinion, prima facie, are not prejudicial to the interest of the Company.

c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 5,20,843 cases having loan outstanding balance as at year end aggregating to ₹ 31,514.87 Lakhs wherein the repayments of principal and interest are not regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where repayment of principal and interest have not been regular.

d) In respect of loans granted by the Company, the total amount overdue for more than 90 days as at the balance sheet date are as under;

Number of cases	Principal overdue (₹ Lakhs)	Interest overdue (₹ lakhs)	Total amount (₹ Lakhs)
5,20,843	24,655.93	6,858.94	31,514.87

According to the information and explanation given to us and the records examined by us, the Company has taken reasonable steps to recover the principal and interest amount.

e) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii) (e) of the Order is not applicable to the Company.

f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

iv. There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are attracted. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, 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 Companies 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. According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended for the services of the Company, and, hence, reporting on clause 3 (vi) of the Order is not applicable to the Company.

vii. a) According to the information and explanations given to us, and on the basis of examination of the books of account of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amount payable was outstanding, at the year end, for a period of more than six months from the date they became payable.

b) According to records of the Company and the information and explanations given to us, there are no statutory dues as mentioned in sub clause vii(a) above which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Details of dues of Income Tax, which have not been deposited as at March 31, 2025, on account of dispute are given below:

Nature of Statute	Nature of dues	Forum where the dispute is Pending	Period to which the amount relates	Amount (₹ in lakhs)
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2015-16	1124.50
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2016-17	1978.91
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2017-18	1521.36
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2020-21	2134.39
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2021-22	557.36
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 2023-24	1875.58

Details of dues of Goods and service tax, which have not been deposited as at March 31, 2025, on account of dispute are given below:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in lakhs)
Goods and Service Tax	GST	GSTAT	FY 2017-18	0.75
Goods and Service Tax	GST	GST Department	FY 2022-23	35.98
Goods and Service Tax	GST	Additional/ Joint Commissioner	FY 2017-20	60.94

viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments made during the year under the Income Tax Act, 1961 (43 of 1961).

ix. a) In our opinion and according to the information and explanations given to us, 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 as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

c) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised, other than the Term loans aggregating to ₹ 33,549.86 Lakhs, pending utilization of funds as per respective sanction terms.

d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been, prima facie, used for long term purposes during the year by the Company.

e) The Company does not have subsidiary, associate or joint venture Company, accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not have subsidiary, associate, or joint venture, accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not raised any money by way of an initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. a) According to information and explanation given to us, and on the basis of examination of the books and records of the Company, we have come across instances of frauds on the Company amounting to ₹ 1,544.50 lakhs (Aggregate amount), which have been noticed and reported during the year.

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

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 our audit procedures.

xii. The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transaction with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.

xiv. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports provided to us for the year under audit, and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

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

b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial activities or Micro Finance activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India.

d) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has not been any resignation of the statutory auditors of the Company during the year hence reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and 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 indicating that Company is not capable of meeting its liabilities existing

at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. 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) Other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility (CSR) to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

b) In respect of ongoing projects, the Company has transferred unspent CSR amounts as at the end of the current financial year, to a Special account within a period of 30 days from the end of the current financial year in compliance with the provision of section 135(6) of the Act.

xxi. Reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements of the Company. Accordingly, no Comment has been included in respect of the said clause under this report.

For **A.John Moris &Co,**
Chartered Accountant
FRN No.007220S

(CA K.V. Sivakumar)
Partner
M.no.027437
UDIN : 25027437BMITTA4872

Date : May 06, 2025
Place : Valapad

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT – MARCH 31, 2025

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

We have audited the Internal Financial Controls with reference to the Standalone Financial Statements of Asirvad Micro Finance Limited ('the Company') as at March 31, 2025, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **A.John Moris &Co,**
Chartered Accountant
FRN No.007220S

(CA K.V. Sivakumar)
Partner
M.no.027437
UDIN : 25027437BMITTA4872

Date : May 06, 2025
Place : Valapad

Balance Sheet as on March 31, 2025

CIN-U65923TN2007PLC064550

(All amounts in ₹ lakhs unless otherwise stated)

Particulars		Note No.	As at March 31, 2025	As at March 31, 2024
I	**Assets**			
1	**Financial assets**			
	(a) Cash and cash equivalents	5	25,627.98	96,254.64
	(b) Bank balance other than those disclosed in (a) above	6	39,607.62	37,196.96
	(c) Loans	7(a)	7,01,609.22	10,29,534.74
	(d) Loans given to staff	7(b)	-	153.07
	(e) Investments	8	40,877.14	38,326.13
	(f) Derivative financial instruments	14	1,118.24	1,356.72
	(g) Other financial assets	9	7,864.63	13,826.85
	Total Financial assets		**8,16,704.83**	**12,16,649.11**
2	**Non-financial Assets**			
	(a) Current tax assets (net)	10	8,194.08	2,002.91
	(b) Deferred tax assets (net)	11 (a)	27,633.81	10,557.81
	(c) Investment property	12	8.64	8.64
	(d) Property, plant and equipment	12	8,601.71	7,670.26
	(e) Right of use asset	12	10,649.89	10,858.93
	(f) Other intangible assets	12	3,062.81	1,918.31
	(g) Intangible assets under development	12	-	-
	(h) Other non financial assets	13	1,938.66	1,381.94
	Total Non-financial assets		**60,089.60**	**34,398.80**
	Total Assets		**8,76,794.43**	**12,51,047.91**
II	**Liabilities and equity**			
1	**Financial liabilities**			
	(a) Derivative financial instruments	14	-	-
	(b) Other payables	15		
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,813.10	2,121.53
	(c) Debt securities	16	2,486.87	61,989.07
	(d) Borrowings (other than debt securities)	17	6,26,374.72	8,73,570.67
	(e) Subordinated liabilities	18	64,959.13	65,130.40
	(f) Other financial liabilities	19	26,502.02	30,677.78
	Total Financial liabilities		**7,23,135.84**	**10,33,489.45**
2	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	20 (a)	-	-
	(b) Provisions	20 (b)	1,164.87	1,179.90
	(c) Other non-financial liabilities	21	1,017.93	1,468.62
	Total Non-financial liabilities		**2,182.80**	**2,648.52**
3	**Equity**			
	(a) Equity share capital	22	20,028.34	20,028.34
	(b) Other equity	23	1,31,447.45	1,94,881.60
	Total Equity		**1,51,475.79**	**2,14,909.94**
	Total Liabilities and Equity		**8,76,794.43**	**12,51,047.91**

Corporate Information and Material Accounting Policies 1-3

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For A.JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

K.V.Sivakumar
Partner
ICAI Membership Number: 027437

Date: May 06, 2025
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer
Date: May 06, 2025
Place: Valapad

Aparna Menon
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2025

CIN-U65923TN2007PLC064550

(All amounts in ₹ lakhs unless otherwise stated)

Particulars		Note No.	Year ended March 31, 2025	Year ended March 31, 2024
I	**Revenue from operations**			
	Interest income	24 (a)	2,59,886.89	2,51,408.75
	Net Gain on derecognition of financial instruments under amortised cost category	24 (b)	9,140.47	14,250.01
	Dividend income and gain on sale of mutual fund	24 (c)	12.50	-
	Other operating income	25	1,502.94	2,472.68
	Total Revenue from operations		**2,70,542.80**	**2,68,131.44**
II	Other income	26	2,896.18	5,062.75
III	**Total income (I + II)**		**2,73,438.98**	**2,73,194.19**
IV	**Expenses**			
	Finance cost	27	1,03,426.01	94,741.32
	Impairment of financial instruments	28	1,69,678.42	46,372.95
	Employee benefit expenses	29	56,280.29	48,838.71
	Depreciation and amortisation expense	30	5,720.06	5,076.24
	Other expenses	31	19,434.74	16,001.49
	Total expenses (IV)		**3,54,539.52**	**2,11,030.71**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**(81,100.54)**	**62,163.48**
VI	**Exceptional items**		-	-
VII	**Profit / (Loss) before tax for the period (V- VI)**		**(81,100.54)**	**62,163.48**
VIII	**Tax expense**			
	(1) Current tax	11 (b)	-	19,448.50
	(2) Deferred tax charge / (credit)	11 (b)	(17,228.85)	(3,287.96)
	(3) Tax relating to earlier years	11 (b)	-	172.57
	Total Tax expense		**(17,228.85)**	**16,333.11**
IX	**Profit / (Loss) after tax for the period (VII - VIII)**		**(63,871.69)**	**45,830.37**
X	**Other comprehensive income**	23		
A	(i) Items that will not be reclassified to profit or loss:			
	a. Remeasurement gains and (losses) on defined benefit obligations (net)		(11.84)	(247.61)
	b. Fair value changes in equity instrument		-	(0.10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		2.98	62.35
	Subtotal (A)		**(8.86)**	**(185.36)**
B	(i) Items that will be reclassified to profit or loss			
	a. Fair value changes on derivatives designated as cash flow hedge (net)		(158.94)	(411.51)
	b. Fair value changes on Investment held as FVOCI		761.18	241.86
	(ii) Income tax relating to items that will be reclassified to profit or loss		(151.57)	42.70
	Subtotal (B)		**450.67**	**(126.95)**
	Other comprehensive Income / (Loss) for the period (A + B)		**441.81**	**(312.31)**
XI	**Total comprehensive Income / (Loss) for the period (IX + X)**		**(63,429.88)**	**45,518.05**
XII	**Earnings per equity share (Face Value of ₹ 10/- per share)**	33		
	- Basic (₹)		-31.89	23.24
	- Diluted (₹)		-31.89	23.24
Corporate Information and Material Accounting Policies		1-3		

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For A.JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

K.V.Sivakumar
Partner
ICAI Membership Number: 027437

Date: May 06, 2025
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer
Date: May 06, 2025
Place: Valapad

Aparna Menon
Company Secretary

Statement of Cash Flow for the year ended March 31, 2025

CIN-U65923TN2007PLC064550

(All amounts in ₹ lakhs unless otherwise stated)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A	**Cash flow from operating activities**		
	Profit / (Loss) before tax for the year	**(81,100.54)**	**62,163.48**
	Adjustments for:		
	Depreciation and amortisation expense	5,720.06	5,076.24
	Impairment of financial instruments Amortisation of assets & Loss on derecognition of financial assets (Refer note no.10)	1,69,678.42	46,372.95
	Provision for insurance claim receivable	(229.93)	(82.67)
	Loss/(Profit) on sale of fixed assets (net)	(0.20)	0.34
	Dividend income	(12.50)	-
	Finance cost	1,03,426.01	94,741.32
	Interest on deposits	(9,411.16)	(5,838.77)
	Provision for Resigned staff	4,626.35	-
	Share based payments to employees	-	0.64
	Operating profit before working capital changes	**1,92,696.51**	**2,02,433.53**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Loans	1,65,167.08	(2,06,513.79)
	Loans given to staff	153.07	(132.95)
	Other financial assets	1,565.80	(1,866.52)
	Other non financial assets	(556.72)	(103.76)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	691.57	334.71
	Other financial liabilities	(10,451.17)	4,675.21
	Other non financial liabilities	(450.69)	(431.55)
	Other provisions	(26.87)	(115.71)
	Net cash flow generated / (used in) operations	**3,48,788.58**	**(1,720.83)**
	Refund received from income tax		
	Net Income tax paid	(6,186.91)	(18,172.06)
	Net cash generated / (used in) in operating activities (A)	**3,42,601.67**	**(19,892.89)**
B	**Cash flow from investing activities**		
	Proceeds from sale of property, plant and equipment	1,008.22	5.70
	Purchase of property, plant and equipment	(3,091.20)	(2,311.06)
	Purchase of other intangible assets	(2,415.45)	(1,777.72)
	Net movement in bank deposits	(1,763.21)	(3,518.08)
	Dividend received	12.50	-
	Investments	(8,709.81)	(20,476.10)
	Interest income on deposits	8,763.71	5,838.66
	Net cash flow generated / (used in) from investing activities (B)	**(6,195.24)**	**(22,238.60)**

Statement of Cash Flow for the year ended March 31, 2025

CIN-U65923TN2007PLC064550

(All amounts in ₹ lakhs unless otherwise stated)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
C	**Cash flow from financing activities**		
	Increase in Share Capital	-	412.11
	Increase in Security Premium	-	14,587.89
	Proceeds from long term borrowings - term loans	4,11,887.81	6,13,687.50
	Repayment of long term borrowings - term loans	(6,41,143.53)	(4,09,528.75)
	Interest paid on term loans	(83,816.96)	(67,891.73)
	Proceeds from long term borrowings - debentures	-	27,500.00
	Repayment of long term borrowings - debentures	(55,716.67)	(54,468.50)
	Interest paid on debentures	(15,047.18)	(17,250.24)
	Interest paid on securitisation	(1,755.14)	(3,931.84)
	Repayment of Over Draft	-	(10,018.62)
	Interest paid on OD	(1.81)	(127.20)
	Repayment of securitisation borrowings	(18,300.17)	(6,673.08)
	Proceeds from short term borrowings - commercial paper	-	8,355.00
	Repayment of short term borrowings - commercial paper	-	(8,355.00)
	Interest paid on Commercial Borrowing	-	(145.01)
	Processing and arranger Fee paid	(335.92)	(773.88)
	Other interest and charges paid	(2,803.52)	(1,984.67)
	Net cash flow generated / (used in) from financing activities (C)	**(4,07,033.09)**	**83,393.98**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(70,626.66)	41,262.49
	Cash and cash equivalents at the beginning of the year	96,254.64	54,992.15
	Cash and cash equivalents at the end of the year (Refer Note 5)	**25,627.98**	**96,254.64**
	Cash and cash equivalents as per above comprise of the following		
	(a) Cash on hand	974.88	1,343.11
	(b) Balances with banks		
	- In current accounts	20,895.50	36,634.30
	- In deposit accounts - with original maturity of less than 3 months	3,757.60	58,277.23
	Balance as per statement of cash flow	**25,627.98**	**96,254.64**

Corporate Information and Material Accounting Policies 1-3

The accompanying notes from 1 to 68 form an integral part of the Financial Information

As per our report of even date attached

For A.JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

K.V.Sivakumar
Partner
ICAI Membership Number: 027437

Date: May 06, 2025
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer

Aparna Menon
Company Secretary

Date: May 06, 2025
Place: Valapad

Statement of changes in equity for the year ended March 31, 2025

CIN-U65923TN2007PLC064550

(All amounts in ₹ lakhs unless otherwise stated)

A. Equity Share Capital

Particular	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the reporting period	20,028.34	6,264.02
Changes in Equity Share Capital due to prior period errors	-	-
Changes in equity share capital during the current period / year	-	13,764.32
Balance at the end of the reporting period	**20,028.34**	**20,028.34**

B. Other Equity

(1) For the Year Period March 31, 2025

Particulars	Reserves and Surplus							Other Comprehensive Income					
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	Tax related to items that will not be reclassified	Total
Balance at the beginning of the current reporting period (As at April 01,2024)	81,113.74	23,657.55	500.00	16.93	141.64	89,695.30	(290.59)	243.85	0.55	(270.64)	6.76	66.51	1,94,881.60
Changes in accounting policy or prior period errors	-	-	-		-	-	-	-				-	-
Restated balance at the beginning of the current reporting period	81,113.74	23,657.55	500.00	16.93	141.64	89,695.30	(290.59)	243.85	0.55	(270.64)	6.76	66.51	1,94,881.60
Total Comprehensive Income for the current period	-	-	-	-	-	(63,871.69)	(11.84)	(158.94)	-	761.18	(151.57)	2.98	(63,429.88)
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To/From	-	-	-	(16.93)	16.93	-	-	-	-	-	-	-	-
Reversal During the period	-	-	-	-	(4.27)	-	-	-	-	-	-	-	(4.27)
Balance at the end of the current reporting period(As at March 31, 2025)	**81,113.74**	**23,657.55**	**500.00**	**(0.00)**	**154.30**	**25,823.61**	**(302.43)**	**84.91**	**0.55**	**490.54**	**(144.81)**	**69.49**	**1,31,447.45**

Statement of changes in equity for the year ended March 31, 2025

CIN-U65923TN2007PLC064550

(All amounts in ₹ lakhs unless otherwise stated)

(2) For the Year Ended March 31, 2024

Particulars	Reserves and Surplus												
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	OCI (Tax related to items that will not be reclassified)	Total
Balance at the beginning of the current reporting period (As at April 01,2023)	79,878.05	14,491.48	500.00	53.53	113.78	53,031.00	(42.98)	655.36	0.65	(512.50)	(35.94)	4.16	1,48,136.59
Changes in accounting policy or prior period errors													-
Restated balance at the beginning of the current reporting period	79,878.05	14,491.48	500.00	53.53	113.78	53,031.00	(42.98)	655.36	0.65	(512.50)	(35.94)	4.16	1,48,136.59
Total Comprehensive Income for the current year	-	-	-	0.64	-	45,830.37	(247.61)	(411.51)	(0.10)	241.86	42.70	62.35	45,518.70
Issue of share capital	14,587.91	-	-	-	-	-	-	-	-	-	-	-	14,587.91
Bonus Issue	(13,352.22)	-	-	-	-	-	-	-	-	-	-	-	(13,352.22)
Transfer To/From	-	9,166.07	-	(37.24)	37.24	(9,166.07)	-	-	-	-	-	-	-
Reversal During the Year	-	-	-	-	(9.38)	-	-	-	-	-	-	-	(9.38)
Balance at the end of the current reporting period(As at March 31,2024)	**81,113.74**	**23,657.55**	**500.00**	**16.93**	**141.64**	**89,695.30**	**(290.59)**	**243.85**	**0.55**	**(270.64)**	**6.76**	**66.51**	**1,94,881.60**

The accompanying notes from 1 to 68 form an integral part of the Financial Information

This is the statement of changes in equity referred to in our report of even date

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

1 Corporate information

Asirvad Micro Finance Limited was incorporated in August 29, 2007 under the provisions of Companies Act, 1956. The company is registered as a Microfinance Institution under the Non Banking Financial Company-Micro Finance Institution (Reserve Bank) Directions, 2011 as amended, vide RBI letter dated October 04, 2013 with Registration Number N-07-00769 dated September 27, 2016.The company is a NBFCs - Middle layer (NBFCs - ML). The company's registered address is 9th Floor, No 9, Club House Road, Anna Salai, Chennai - 600002. The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. The Company provides small value collateral free loans with fortnightly/monthly repayments. The company follows the Grameen Model with suitable adoptions using the group where each member is responsible for the loan repayment of the other members of the group. In addition to the core business of providing micro-credit, the company also provides secured loans to Micro Small and Medium Enterprise ('MSME') and also provides gold loans.

2 Basis of preparation and presentation of financial information

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

Presentation of Financial Information

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

(ii) Historical cost convention

The financial information have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial information have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(iii) Critical accounting estimates and judgements

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

Business model assessment

The Company determines the business model at a level that reflects how the 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 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 accordingly prospective change to the classification of those assets are made.

Defined employee benefit assets and liabilities

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

Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Company makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance.

Provisions

Provisions created in respect of a range of future obligations such as litigation. Some of the provisions involve significant judgment about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate, which reflects both current interest rates and the risks specific to that provision.

Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of asset.

3 Summary of material accounting policies

(a) Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the Straight Line Method over the useful life of the assets as prescribed under Part 'C' of Schedule II, which is also the the management's estimates of useful lives of such assets.

Asset class	Useful Life
Furniture and Fixtures including Electrical fittings	10
Leasehold Improvements	5
Office Equipment	5
Vehicles	8
Computers and others	3

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.The residual value has been assigned as ₹ 1

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is de-recognised.

(b) Investment Property

Initial recognition and measurement

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

De-recognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognised.

(c) Intangible assets

Initial recognition and measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation method, useful lives and residual value)

Intangible assets are amortised over a period of three years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived based on the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and repair the asset to be capable of operating in the manner intended by management. These are recognised as assets when the company demonstrate following recognition requirements:

a. The development costs can be measured reliably

b. The project is technically and commercially feasible

c. The company intends to and has sufficient resources to complete the project

d. The company has the ability to use or sell such intangible asset

e. The asset will generate probable future economic benefits.

(d) Revenue recognition

Interest and processing fee income on loans

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

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets regarded as 'Stage 3', the Company recognizes interest income on the net amortized cost of financial assets at EIR. If financial asset is no longer credit-impaired, Company reverts to calculating interest income on a gross basis. Overdue interest is recognized only when it is reasonably certain that the ultimate collection will be made.

Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

Referral income

Income from cross sale services is recognized on accrual basis when the service is rendered taking into account the number of units sold at the rates applicable according to the terms of the agreement.

Interest on fixed deposits

Interest income on deposits with banks is recognized in time proportion basis taking into account the amount outstanding and the rate applicable using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

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

(e) Finance cost

Finance cost consists of interest and other cost that the Company incurred in connection with the borrowing of funds. All other finance costs are charged to the statement of profit and loss as incurred basis the effective interest rate method.

(f) Taxation

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

(g) Employee benefits

Defined contribution plan

(i) Provident fund

This is a defined contribution plan where contributions are remitted to provident fund authorities in accordance with the relevant statute and charged to the Statement of Profit and Loss in the period in which the related employee services are rendered. The Company has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

Defined benefit plan

(i) Gratuity

The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

(ii) Compensated absences

The Company provides benefit of compensated absences under which unavailed leave are allowed to be accumulated to be availed in future. The compensated absences comprises of both vesting and non vesting benefit. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period.

Short-term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share based payments

The Company has formulated an Employees Stock Option Scheme. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity.

The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

(h) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

(i) Impairment of financial assets

The Expected Credit Loss (ECL) is being adopted for all products provided by the company

The Expected Credit Loss (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 12m ECL 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. Both LTECLs and 12m ECLs are calculated on a collective basis for identified homogenous pool of loans.

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (0-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The ECL is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) is based on the amounts the Company expects to be owed at the time of default. Management overlay is included in determining the lifetime ECL. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss account.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

(k) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

(l) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(m) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortized cost

b. Fair Value Through Other Comprehensive Income (FVTOCI) or

c. Fair Value Through Profit or Loss (FVTPL).

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) Financial asset carried at amortised cost

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

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

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

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

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI)

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

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

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

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

(iii) Financial assets carried at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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. If the Company retains the right to service the financial asset for a fee, it recognises either a service asset or a service liability for that servicing contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the Company adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

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 that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

Classification and Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

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

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

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

(n) Derivative financial instruments

The Company enters into derivative financial instruments, cross currency swaps, to manage its borrowing exposure to foreign exchange.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge Accounting

Hedges that meet the criteria for hedge accounting are accounted for, as described below: Cash Flow Hedges A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

(o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

(p) Segment reporting

The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

(q) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the

primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non- monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

(r) Securitisation and direct assignment

The securitised assets where the Company has not transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall not be de-recognized and proceeds received from securitisation shall be recognised as borrowings and interest thereon shall be recognised as finance cost.

The direct assignment transaction where the Company has transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall be de-recognized. Similarly, the gain on sale of assets arising from a direct assignment transactions, has been recognised on de-recognition as interest only strip.

(s) Statement of cash flows

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

4 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

5 Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
(a) Cash on hand	974.88	1,343.11
(b) Balances with banks		
- In current accounts	20,895.50	36,634.30
- In deposit accounts - not covered under lien (less than 3 months)	3,757.60	58,277.23
	25,627.98	**96,254.64**

5.1

	As at March 31, 2025	As at March 31, 2024
Of the above, the balances that meet the definition of cash and cash equivalents as per Ind AS 7 cash flow statements	25,627.98	96,254.64

6 Bank balance other than those disclosed in (a) above (Also, refer note 17.1)

	As at March 31, 2025	As at March 31, 2024
Balances with Banks		
- In Deposit Accounts - not covered under lien (3 months & above)	627.25	533.05
- In Deposit Accounts - under lien (Refer note 6.1 below)	38,980.37	36,663.91
	39,607.62	**37,196.96**

6.1 Deposit accounts under lien comprise of:

Deposits (excluding accrued interest) amounting to ₹ 35,482.06 Lakhs(at March 31, 2024 ₹ 31,317.74 Lakhs) have been placed with certain banks for obtaining term loans.

Deposits (excluding accrued interest) ₹ 1,719.66 Lakhs (As at March 31, 2024 ₹ 4,301.56 Lakhs) are placed as credit enhancement (cash collateral) towards PTC transactions.

7(a) Loans (at amortised cost)

	As at March 31, 2025	As at March 31, 2024
Loans	7,73,871.67	10,63,019.10
Less : Impairment loss allowance	72,262.45	33,484.36
Total	**7,01,609.22**	**10,29,534.74**
(i) Secured		
Loans	1,03,573.74	97,358.70
Less : Impairment loss allowance	862.82	488.21
Sub Total	**1,02,710.92**	**96,870.49**
(ii) Unsecured		
Loans	6,70,297.93	9,65,660.40
Less : Impairment loss allowance	71,399.63	32,996.15
Sub Total	**5,98,898.30**	**9,32,664.25**
Grand Total	**7,01,609.22**	**10,29,534.74**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

7(b) Loans given to staff (at amortised cost)

	As at March 31, 2025	As at March 31, 2024
Loans to Staff	-	153.07
	-	**153.07**

7.1

Particulars	As at March 31, 2025	As at March 31, 2024
The loan receivables reflected above excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognisation as per Ind AS 109. The amounts given are net of minimum retention retained in the books	54,394.43	123,415.19

7.2

Particulars	As at March 31, 2025	As at March 31, 2024
Provisions as per RBI Income Recognition, Asset Classification and Provisioning Norms (IRACP norms)	21,497.53	20,534.29
Provisions as per ECL model under Ind AS 109	72,262.45	33,484.36
Amount recorded in the books	72,262.45	33,484.36

As at March 31, 2025

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss 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
(A)	(B)	(C)	(D)	E = (C-D)	(F)	(G) = (D-F)
Performing assets						
Standard	Stage 1	6,51,342.84	14,930.23	6,36,412.61	2,661.18	12,269.05
	Stage 2	50,099.41	9,485.72	40,613.69	206.85	9,278.87
Non Performing Assets (NPA)						
Substandard	Stage 3	65,843.24	43,495.69	22,347.55	15,841.84	27,653.85
Doubtful						
Up to one year	Stage 3	5,002.86	3,304.87	1,697.99	1,881.15	1,423.72
1 to three year	Stage 3	1,440.38	951.51	488.87	767.56	183.95
More than three year	Stage 3	142.94	94.43	48.51	138.95	-44.53
Subtotal for doubtful		**6,586.18**	**4,350.81**	**2,235.37**	**2,787.66**	**1,563.13**
Total	**Stage 1**	**6,51,342.84**	**14,930.23**	**6,36,412.61**	**2,661.18**	**12,269.05**
	Stage 2	**50,099.41**	**9,485.72**	**40,613.69**	**206.85**	**9,278.87**
	Stage 3	**72,429.42**	**47,846.50**	**24,582.92**	**18,629.50**	**29,216.99**
Total		**7,73,871.67**	**72,262.45**	**7,01,609.22**	**21,497.53**	**50,764.91**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

As at March 31, 2024

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109*	Net Carrying amount	Difference between IND AS 109 provisions and IRACP norms	Difference between IND AS 109 provisions and IRACP norms
(A)	(B)	(C)	(D)	E = (C-D)	(F)	(G) = (D-F)
Performing assets						
Standard	Stage 1	9,99,063.14	9,931.49	9,89,131.65	4,125.07	5,806.42
	Stage 2	20,097.55	1,264.22	18,833.33	81.84	1,182.38
Non Performing Assets (NPA)						
Substandard	Stage 3	42,318.57	21,431.32	20,887.25	15,407.10	6,024.22
Doubtful						
Up to one year	Stage 3	1,220.57	618.13	602.44	543.32	74.81
1 to three year	Stage 3	373.74	189.27	184.47	278.36	-89.09
More than three year	Stage 3	98.60	49.93	48.67	98.60	-48.67
Subtotal for doubtful		**1,692.91**	**857.33**	**835.58**	**920.28**	**-62.95**
Total	**Stage 1**	**9,99,063.14**	**9,931.49**	**9,89,131.65**	**4,125.07**	**5,806.42**
	Stage 2	**20,097.55**	**1,264.22**	**18,833.33**	**81.84**	**1,182.38**
	Stage 3	**44,011.48**	**22,288.65**	**21,722.83**	**16,327.38**	**5,961.27**
Total		**10,63,172.17**	**33,484.36**	**10,29,687.81**	**20,534.29**	**12,950.07**

7.3 The Stage wise break of loans reflected above (Refer Note 7a and 7b) is given below :

(A) As at March 31, 2025

Loan Receivables	Stage 1: 0-30 days	Stage 2: 31-90 days	Stage 3: >90 days
i. Loans considered as Qualifying Assets	5,49,224.40	48,406.72	65,648.15
ii. Loans considered as Non Qualifying Assets	1,03,424.58	2,496.01	4,671.80
Gross Carrying Amount of Loans	**6,52,648.99**	**50,902.72**	**70,319.96**
Less : Impairment loss allowance	14,930.23	9,485.72	47,846.49
Net Loans	**6,37,718.75**	**41,417.00**	**22,473.46**

(B) As at March 31, 2024

Loan Receivables	Stage 1: 0-30 days	Stage 2: 31-90 days	Stage 3: >90 days
i. Loans considered as Qualifying Assets	8,86,521.19	19,637.48	40,658.76
ii. Loans considered as Non Qualifying Assets	1,12,541.95	460.07	3,352.72
Gross Carrying Amount of Loans	**9,99,063.14**	**20,097.55**	**44,011.48**
Less : Impairment loss allowance	9,931.49	1,264.22	22,288.65
Net Loans	**9,89,131.65**	**18,833.33**	**21,722.83**

7.4 Reconciliation of impairment allowance on Loans

Particulars	Amount
Impairment allowance as at April 01, 2023	**25,154.91**
Add: Impairment allowance provided in statement of Profit & Loss	46,372.95
Less: Impairment allowance Utilised for writing off Loss assets	16,915.43
Less: Impairment allowance Utilised for porfolio sold to ARC	18,450.26
Less: Impariment allowance provided for receivables from resigned employees	406.18
Less: Impariment allowance provided for other Financial Assets	70.41
Less: Impariment allowance provided for Security deposit	103.06
Less: Impariment allowance provided for Security Receipts	2,098.16
Impairment allowance as at March 31, 2024	**33,484.36**
Add: Impairment allowance provided in statement of Profit & Loss	1,69,678.42
Less: Impairment allowance Utilised for writing off Loss assets	1,12,763.41
Less: Impairment allowance Utilised for porfolio sold to ARC	13,252.94
Less: Impariment allowance provided for other Financial Assets	62.17
Less: Impariment allowance provided for Security Receipts	4,821.82
Impairment allowance as at March 31, 2025	**72,262.45**

7.5 Disclosure for securitisation of Standard Assets outstanding as on reporting date as per RBI circular no.DOR.STR.REC.53/21.04.177/2021-22 dated September, 24, 2021.

Particulars	As at March 31, 2025	As at March 31, 2024
(i) No of SPVs sponsored by the NBFC for securitisation transactions		
a. Through Direct assignment	33	37
b. Through PTC	4	6
Total	**37**	**43**
(ii) Total amount of securitised assets as per books of the SPVs Sponsored		
a. Through Direct assignment	55,706.03	121,775.14
b. Through Pass through Ceritificates	22,070.42	42,033.13
Total	**77,776.45**	**163,808.27**
(iii) Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
First loss	6,203.92	13,523.92
Others	-	-
Pass through Ceritificates	-	-
(iv) Amount of exposures to securitisation transactions Other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitizations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-

7.6 Details of Financial Assets sold to Securitisation Company

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total number of loan assets securitized during the year		
a. Through Direct assignment	1,11,168	5,78,232
b. Through PTC	48,885	1,44,023
	1,60,053	**7,22,255**
Book value of loan assets securitized during the year		
a. Through Direct assignment	45,468.06	2,12,372.05
b. Through PTC	22,112.26	53,410.70
	67,580.32	**2,65,782.75**
Sale consideration received during the year		
a. Through Direct assignment	40,921.26	1,91,134.85
b. Through PTC	19,570.46	47,164.27
	60,491.72	**2,38,299.12**
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised		
a. Through Direct assignment	4,546.81	21,237.21
b. Through PTC	2,541.80	6,246.43
	7,088.60	**27,483.64**
Gain / (loss) on the securitization transaction recognised in P&L		
Through PTC & Direct assignment	9,140.47	14,250.01
Gain / (loss) on the securitization transactions deferred	-	-
Through PTC & Direct assignment	-	-
	9,140.47	**14,250.01**
Quantum of Credit Enhancement provided on the transactions in the form of deposits		
a. Through Direct assignment	-	-
b. Through PTC	1,492.76	2,018.40
	1,492.76	**2,018.40**
Quantum of Credit Enhancement as at year end		
a. Through Direct assignment	4,546.81	21,237.21
b. Through PTC	4,367.36	6,482.39
	8,914.16	**27,719.60**
Interest spread Recognised in the Statement of Profit and Loss during the Year		
a. Through Direct assignment	9,140.47	14,250.01
b. Through PTC	-	-
	9,140.47	**14,250.01**

Note : The securitised loans through PTC disclosed in the above notes, i.e 7.5 and 7.6 do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

7.7 No disclosure has been presented as per RBI notification RBI/2019-20/220 DOR,No.BP.DC.63/21.04,048/2020-21 Dated: April 17, 2020; as the balances are Nil.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

8 Investments

	As at March 31, 2025	As at March 31, 2024
Investments at fair value through other comprehensive income		
Outside India		
In India		
(i) Unquoted Equity instruments	5.75	5.75
(ii) Investment in Government Securities	20,674.00	19,487.32
Sub Total	**20,679.75**	**19,493.07**
Investments at fair value through Profit or Loss		
Outside India	**-**	**-**
In India		
(i) Investment in Security Reciepts	26,336.52	20,477.26
(ii) Investment in Pass Through Certificates	786.60	453.80
Sub Total	**27,123.12**	**20,931.06**
Gross Total	**47,802.87**	**40,424.13**
Less : Allowance for impairment loss	6,925.73	2,098.00
Total	**40,877.14**	**38,326.13**

9 Other financial assets

	As at March 31, 2025	As at March 31, 2024
(a) Security deposits	1,041.12	901.81
(b) Unamortised Income On Direct assignment	1,862.97	6,591.04
(c) Others*	4,960.54	6,334.00
	7,864.63	**13,826.85**

10 Current tax assets (net)

	As at March 31, 2025	As at March 31, 2024
Advance income tax	8,194.08	2,002.91
	8,194.08	**2,002.91**

11 (a) Deferred tax assets (net)

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets (net)	27,633.81	10,557.81
	27,633.81	**10,557.81**

11 (b) Current tax and deferred tax

(i) Income tax expense

Particulars	March 31, 2025	March 31, 2024
(a) Current tax in respect of current year	-	19,448.50
(b) Deferred tax relating to origination and reversal of temporary differences	(17,228.85)	(3,287.96)
(c) Tax relating to earlier year	-	172.57
Total tax expense recognised in statement of profit and loss	**(17,228.85)**	**16,333.11**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	March 31, 2025	March 31, 2024
Profit Before tax from operations	(81,100.54)	62,163.48
Income Tax using the company's domestic Tax rate #	(20,413.01)	15,646.55
Effect of income exempt from tax	-	-
Effect of other permanent differences	161.72	660.90
Effect on utilisation of accumulated losses during the year	-	-
Effect of change in tax rate	-	-
Effect of deferred tax remeasurement	3,022.44	(146.91)
Effect of change in previous year tax amount	-	172.57
Income tax recognised in the statement of profit & loss	**(17,228.85)**	**16,333.11**

The tax rate used for the year ended March 31, 2025 and March 31, 2024 reconciliations above are the Corporate tax rate of 22%, applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income tax act.

(iii) Income tax on other comprehensive income

Particulars	March 31, 2025	March 31, 2024
Deferred tax		
Remeasurement of defined benefit obligation	(2.98)	(62.32)
Fair value changes on Equity Investment held as FVOCI	(0.00)	(0.03)
Fair value changes on derivatives designated as cash flow hedge (net)	(40.01)	(103.58)
Fair value changes on Other Investment held as FVOCI	191.58	60.88
Total	**148.59**	**(105.05)**

(iv) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet

Particulars	For the year ended March 31, 2025				
	Opening Balance	(Charge)/Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/deferred Tax liability :					
Property, plant and equipment	342.02	32.13	-	-	374.15
Provision for employee benefits	1,580.91	51.51	2.98	-	1,635.40
Provision for loan receivables	7,860.84	14,885.22	-	-	22,746.05
Provision for fraud insurance claim receivable	491.15	34.75	-	-	525.90
Effective interest rate on borrowings	243.31	382.33	-	-	625.64
Present value discounting of security deposit and documentation fee	1,043.44	220.96	-	-	1,264.40
Effect of implementation of Ind AS 116	573.98	(6.43)	-	-	567.55
Effective interest rate on DA and PTC loans	(1,588.77)	1,628.46	-	-	39.69
ESOP Contribution	4.32	-	-	(4.32)	-
Equity Investment held as FVOCI	(0.14)	-	-	-	(0.14)
Gain / loss on hedge valuation	(61.38)	-	40.01	-	(21.37)
Investment held as FVOCI	68.12	-	(191.59)	-	(123.47)
Total	**10,557.81**	**17,228.93**	**(148.60)**	**(4.32)**	**27,633.81**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024				
	Opening Balance	(Charge) / Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/deferred Tax liability :					
Property, plant and equipment	145.64	196.38	-	-	342.02
Provision for employee benefits	669.53	849.06	62.32	-	1,580.91
Provision for loan receivables	6,221.52	1,639.32	-	-	7,860.84
Provision for fraud insurance claim receivable	282.40	208.75	-	-	491.15
Effective interest rate on borrowings	85.40	157.91	-	-	243.31
Present value discounting of security deposit and documentation fee	748.66	294.78	-	-	1,043.44
Effect of implementation of Ind AS 116	331.06	242.92	-	-	573.98
Effective interest rate on DA and PTC loans	(1,287.46)	(301.31)	-	-	(1,588.77)
ESOP Contribution	13.54	0.16	-	(9.38)	4.32
Equity Investment held as FVOCI	(0.17)	-	0.03	-	(0.14)
Cash flow hedge Reserve	(164.95)	-	103.58	-	(61.38)
Investment held as FVOCI	129.00	-	(60.88)	-	68.12
Total	**7,174.16**	**3,287.97**	**105.05**	**(9.38)**	**10,557.81**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

12 Property, plant and equipment, other intangible assets, Right of use assets and Intangible assets under development

Particulars	Investment Property - Land	Property, plant and equipment								Right of use asset	Other intangible assets- Softwares	Intangible assets under development
		Computers	Furnitures & Fixtures	Leasehold Improvements	Office Equipments	Vehicles	Freehold Land	Building	Total			
Gross block												
As at March 31, 2023	**8.64**	**4,395.51**	**4,405.01**	**405.65**	**3,366.23**	**82.26**	**-**	**-**	**12,654.66**	**12,836.70**	**1,478.46**	**-**
Additions		748.98	680.78	30.42	630.58	-	93.44	126.86	2,311.07	4,390.52	1,777.72	-
Disposals		(0.37)	(2.64)	-	(2.69)	**-**	**-**	**-**	(5.70)	**-**	**-**	**-**
As at March 31, 2024	**8.64**	**5,144.12**	**5,083.15**	**436.07**	**3,994.12**	**82.26**	**93.44**	**126.86**	**14,960.02**	**17,227.22**	**3,256.18**	**-**
Additions		733.62	838.06	134.35	1,003.75	**-**	356.93	24.49	3,091.20	2,850.16	2,415.45	**-**
Disposals		(801.55)	(38.06)	-	(159.18)	(9.44)	**-**	**-**	(1,008.23)	**-**		**-**
As at March 31, 2025	**8.64**	**5,076.19**	**5,883.15**	**570.42**	**4,838.69**	**72.82**	**450.37**	**151.35**	**17,042.99**	**20,077.38**	**5,671.63**	**-**
Accumulated depreciation/amortisation:												
As at March 31, 2023	**-**	**2,904.54**	**1,367.97**	**209.63**	**1,091.86**	**68.75**	**-**	**-**	**5,642.75**	**3,473.74**	**808.62**	**-**
Depreciation/Amortisation expense	**-**	749.54	382.18	50.19	465.91	4.05	**-**	0.56	1,652.43	2,894.55	529.25	**-**
Eliminated on Disposal of Assets	**-**	(0.37)	(2.63)	-	(2.42)	-	**-**	-	(5.42)	-	-	**-**
Depreciation Adjustments	**-**	-	-	-	-	-	**-**	-	-	-	-	**-**
As at March 31, 2024	**-**	**3,653.71**	**1,747.52**	**259.82**	**1,555.35**	**72.80**	**-**	**0.56**	**7,289.76**	**6,368.29**	**1,337.87**	**-**
Depreciation/Amortisation expense	**-**	994.92	439.09	63.64	612.59	3.34	**-**	6.22	2,119.80	3,059.20	1,270.95	**-**
Eliminated on Disposal of Assets	**-**	(801.10)	(37.47)	**-**	(120.27)	(9.44)	**-**	**-**	(968.28)	**-**	**-**	**-**
Depreciation Adjustments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**	**-**
As at March 31, 2025	**-**	**3,847.53**	**2,149.14**	**323.46**	**2,047.67**	**66.70**	**-**	**6.78**	**8,441.28**	**9,427.49**	**2,608.82**	**-**
Net block												
As at March 31, 2024	8.64	1,490.41	3,335.63	176.25	2,438.77	9.46	93.44	126.30	7,670.26	10,858.93	1,918.31	-
As at March 31, 2025	8.64	1,228.66	3,734.01	246.96	2,791.02	6.12	450.37	144.57	8,601.71	10,649.89	3,062.81	-

Also refer Note 55 for Intangible Assets Under Development

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

13 Other non financial assets

	As at March 31, 2025	As at March 31, 2024
(a) Goods & service tax credit (input) receivable	953.64	428.58
(b) Prepaid expenses	983.17	896.00
(c) Capital advances	-	11.17
(d) Opex advances	-	43.41
(e) Others	1.85	2.78
	1,938.66	**1,381.94**

14 Derivative financial instruments (Also, refer note 42.14)

	As at March 31, 2025	As at March 31, 2024
Currency derivatives		
Cross Currency Interest rate swap		
- Notional Amount (Respective Currency converted at closing exchange rate)		
- Fair Value Asset	1,118.24	1,356.72
- Fair Value Liabilities	-	-
Total Notional	**7,702.33**	**10,004.88**
Total Fair Value Assets	**1,118.24**	**1,356.72**
Total Fair Value Liabilities	**-**	**-**

Note: All the above derivative instruments are held for hedging and risk management purpose

15 Other payables

	As at March 31, 2025	As at March 31, 2024
(a) Total outstanding dues of micro enterprises and small enterprises (Also, refer note 40)	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (Also, refer note no 54 for trade payables ageing)	2,813.10	2,121.53
	2,813.10	**2,121.53**

There are no dues payable as at March 31,2025 and March 31, 2024 to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

16 Debt securities (At amortised cost)

	As at March 31, 2025	As at March 31, 2024
(a) Redeemable non-convertible debentures		
- Secured	2,485.04	60,824.87
- Unsecured*	1.84	1,164.20
(b) Commercial papers (Unsecured) (Refer Note 17.3)	-	-
	2,486.87	**61,989.07**
(i) Debt securities in India	2,486.87	61,989.07
(ii) Debt securities outside India	-	-
Also, refer note 17.4	**2,486.87**	**61,989.07**

* ₹ 1.84 Lakhs as on March 31, 2025 is the amount of unclaimed debentures lying in the Escrow Account

17 Borrowings (other than debt securities) (At amortised cost)

	As at March 31, 2025	As at March 31, 2024
(a) Secured		
- Term loan from banks	5,87,419.70	7,98,760.81
- Term loan from NBFCs	13,457.98	26,788.30
- Other financial institutions	7,601.26	9,828.53
	6,08,478.94	**8,35,377.64**
(b) Unsecured		
- Term loan from NBFCs	-	1,997.08
(c) Borrowings under securitisation arrangement	17,895.78	36,195.95
	6,26,374.72	**8,73,570.67**
Borrowings in India	6,18,773.46	8,63,742.14
Borrowings outside India	7,601.26	9,828.53
	6,26,374.72	**8,73,570.67**

17.1 Security on term loans from banks and others (Also, refer note 6)

All loans are secured by hypothecation of Micro Finance Loans. Further, the Company has provided a specific lien on deposits with Banks (Refer (a) below) and also have deposits with other NBFCs for Term Loans (Refer (b) below)

	As at March 31, 2025	As at March 31, 2024
(a) Deposits with Banks & Others	38,980.37	36,663.91
(b) Deposits with NBFCs	-	-
	38,980.37	**36,663.91**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

17.2 Details of cash credit from bank - Secured

(a) The cash credit facility is secured by hypothecation of Microfinance Loans

(b) The Company has not defaulted in the repayment of dues to Banks and NBFC's.

(c) The details of interest rate, tenor, repayment terms of the Short Term Borrowings are as follows:

Particulars	Interest Rate	March 31, 2025	March 31, 2024
Cash Credit	8.70%	-	600.00

17.3 (i) Details of commercial paper - Unsecured

Particulars	Tenor (Days)	Interest Rate	March 31, 2025	March 31, 2024
-	-	-	-	-

(ii) Details of commercial paper issued/repaid during the current year ended March 31, 2025

Particulars	Tenor (Days)	Discount rate (per annum)	Date of Transaction
-	-	-	-

Details of commercial paper issued/repaid during the current year ended March 31, 2024

Particulars	Tenor (Days)	Discount Rate (per annum)	Date of Transaction
Northern Arc Money Market Alpha Trust (Repaid)	67	8.65%	24-04-2023
Super Auto Forge Private Limited (Repaid)	91	8.30%	22-11-2023
Venkatesh Ramarathinam (Repaid)	91	8.30%	22-11-2023

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

17.4 Details of terms of repayment- Debentures and subordinated liabilities

ISIN No	Type of NCD	No. of Debentures As at		Face value	Interest rate	Due date of redemption	Closing balance As at*	
		March 31, 2025	March 31, 2024				March 31, 2025	March 31, 2024
INE516Q08331	Sub Debt	10,000	10,000	1,00,000.00	11.90%	26-Jun-26	10,000.00	10,000.00
INE516Q08372	Sub Debt	5,000	5,000	1,00,000.00	13.50%	31-Dec-27	5,000.00	5,000.00
INE516Q08380	Sub Debt	550	550	10,00,000.00	13.50%	31-May-27	5,500.00	5,500.00
INE516Q08398	Sub Debt	100	100	1,00,00,000.00	11.25%	3-Oct-28	10,000.00	10,000.00
INE516Q08406	Sub Debt	50	50	1,00,00,000.00	11.25%	25-Nov-28	5,000.00	5,000.00
INE516Q08414	Sub Debt	2,500	2,500	1,00,000.00	11.25%	31-Mar-29	2,500.00	2,500.00
INE516Q08422	Sub Debt	15,000	15,000	1,00,000.00	11.25%	16-May-29	15,000.00	15,000.00
INE516Q08430	Sub Debt	10,000	10,000	1,00,000.00	11.25%	7-Jul-30	10,000.00	10,000.00
INE516Q07465	Other Than Sub Debt	2,500	2,500	1,00,000.00	9.30%	20-Jan-26	2,500.00	2,500.00
INE516Q07382	Other Than Sub Debt	-	500	7,50,000.00	9.75%	30-Mar-25	-	3,750.00
INE516Q08356	Other Than Sub Debt	-	350	3,33,333.00	11.40%	31-Dec-24	-	1,166.67
INE516Q07416	Other Than Sub Debt	-	730	10,00,000.00	11.05%	27-Feb-25	-	7,300.00
INE516Q07424	Other Than Sub Debt	-	1,450	10,00,000.00	11.05%	15-Sep-26	-	14,500.00
INE516Q07432	Other Than Sub Debt	-	750	10,00,000.00	9.70%	9-May-24	-	7,500.00
INE516Q07440	Other Than Sub Debt	-	1,000	10,00,000.00	9.60%	12-Sep-24	-	10,000.00
INE516Q07457	Other Than Sub Debt	-	1,150	10,00,000.00	8.50%	28-Sep-24	-	11,500.00

*Principle Outstanding as per IGAAP

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

17.5 Details of terms of repayment - term loans from bank and others

As at year ended March 31, 2025

Tenure	Repayment	Interest Range	Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above 5 years	
			No. of Instalments	Amount*	No. of Instalments	Amount*	No. of Instalments	Amount*	No. of Instalments	Amount*	No. of Instalments	Amount*	No. of Instalments	Amount*
1 to 3 year	2 Equal installment	9%-11%	1	6,000.00	1	6,000.00	-	-	-	-	-	-	-	-
	Bullet	7%-9%	-	-	1	25,000.00	-	-	-	-	-	-	-	-
		9%-11%	2	2,500.00	-	-	-	-	-	-	-	-	-	-
	Monthly	7%-9%	17	4,791.67	7	2,187.50	-	-	-	-	-	-	-	-
		9%-11%	463	1,61,621.04	135	45,467.25	9	3,833.33	-	-	-	-	-	-
		11%-13.5%	5	3,350.00	-	-	-	-	-	-	-	-	-	-
	Quarterly	9%-11%	193	2,23,499.02	59	61,158.60	11	9,757.00	-	-	-	-	-	-
		11%-13.5%	4	8,400.00	4	2,400.00	4	2,400.00	-	-	-	-	-	-
Above 3 year	Half yearly	9%-11%	2	200.00	2	200.00	2	200.00	2.00	200.00	-	-	-	-
	Monthly	9%-11%	4	2,545.45	2	1,272.73	-	-	-	-	-	-	-	-
	Quarterly	9%-11%	4	6,000.00	4	6,000.00	4	6,000.00	4.00	4,800.00	1.00	1,200.00	-	-
	Bullet	9%-11%	2	2,800.00	2	2,800.00	2	2,800.00	2.00	2,800.00	-	-	-	-

*Principle Outstanding as per IGAAP

As at year ended March 31, 2024

Tenure	Repayment	Interest Range	Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above 5 years	
			No. of Instalments	Amount*	No. of Instalments	Amount*	No. of Instalments	Amount*	No. of Instalments	Amount*	No. of Instalments	Amount*	No. of Instalments	Amount*
1 to 3 year	Bullet	7%-9%	-	-	-	-	1	25,000.00	-	-	-	-	-	-
		9%-11%	2	2,000.00	1	1,000.00	-	-	-	-	-	-	-	-
	Monthly	5%-7%	12	5,806.28	-	-	-	-	-	-	-	-	-	-
		7%-9%	20	3,833.33	5	1,041.67	-	-	-	-	-	-	-	-
		9%-11%	595	2,10,044.27	289	1,06,657.17	42	14,926.50	-	-	-	-	-	-
		11%-13.5%	38	12,542.31	5	3,350.00	-	-	-	-	-	-	-	-
	Quarterly	9%-11%	211	2,34,941.46	113	1,27,235.54	15	15,276.00	-	-	-	-	-	-
		11%-13.5%	4	1,666.67	-	-	-	-	-	-	-	-	-	-
	Half Yearly	11%-13.5%	4	4,225.00	-	-	-	-	-	-	-	-	-	-
Above 3 year	Monthly	9%-11%	4	2,545.45	4	2,545.45	2	1,272.73	-	-	-	-	-	-
	Quarterly	9%-11%	8	8,223.00	8	8,223.00	8	8,223.00	8	8,223.00	4	4,800.00	1	1,200.00
		11%-13.5%	4	8,400.00	4	8,400.00	4	2,400.00	4	2,400.00	-	-	-	-
	Half Yearly	9%-11%	2	200.00	2	200.00	2	200.00	2	200.00	2	200.00	-	-

*Principle Outstanding as per IGAAP

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

17.6 Reconciliation of liabilities arising from financing activities

Particulars	Debt securities (including subordinated liabilities)	Borrowings (other than debt)	Commercial Paper	Total*
April 01, 2023	**1,57,213.52**	**6,75,010.36**	**-**	**8,32,223.88**
Proceeds	27,500.00	6,13,687.50	8,355.00	6,49,542.50
Repayment	(54,468.50)	(4,09,528.75)	(8,355.00)	(4,72,352.25)
Interest expense	16,058.72	67,820.37	145.01	84,024.10
Interest & Transaction cost paid	(17,250.24)	(67,891.73)	(145.01)	(85,286.98)
Fair Value Changes	-	-	-	
March 31, 2024	**1,29,053.50**	**8,79,097.75**	**-**	**10,08,151.25**
Proceeds	-	4,11,887.81	-	4,11,887.81
Repayment	(55,716.67)	(6,41,143.53)	-	(6,96,860.20)
Interest expense	3,066.74	83,490.02	-	86,556.76
Interest & Transaction cost paid	(15,047.18)	(83,816.96)	-	(98,864.14)
Fair Value Changes	-	-	-	-
March 31, 2025	**61,356.39**	**6,49,515.09**	**-**	**7,10,871.48**

*Borrowings Outstanding as per IGAAP

18 Subordinated liabilities

	As at March 31, 2025	As at March 31, 2024
Redeemable Non-Convertible Debentures (Unsecured) - Subordinated Debt (At Amortised Cost)	64,959.13	65,130.40
	64,959.13	**65,130.40**

19 Other financial liabilities

	As at March 31, 2025	As at March 31, 2024
(a) Interest payable on assets assigned	4,017.78	4,172.84
(b) Lease liabilities (Also, refer note 34)	12,373.13	12,661.33
(c) Other payables	10,111.11	13,843.61
	26,502.02	**30,677.78**

20 (a) Current tax liabilities (net)

	As at March 31, 2025	As at March 31, 2024
Provision for taxation (net)	-	-
	-	-

20 (b) Provisions (Also, refer note 35)

	As at March 31, 2025	As at March 31, 2024
(a) Provision for compensated absences	671.49	590.76
(b) Provision for gratuity	493.38	589.14
	1,164.87	**1,179.90**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

21 Other non financial liabilities

	As at March 31, 2025	As at March 31, 2024
(a) Statutory dues payable	1,017.93	1,468.62
(b) Other payables	-	-
	1,017.93	**1,468.62**

22 Equity share capital

	As at Mar 31, 2025	As at March 31, 2024
Authorised*		
30,00,00,000.00 equity shares of ₹ 10/- each*	30,000.00	30,000.00
Issued, subscribed and paid up**		
20,02,83,372 shares of ₹ 10/- each	20,028.34	20,028.34

For each class of equity share capital:	No of equity share	Amount(Equity share) (in ₹ Lakhs)	Remarks
(a) the number and amount of shares authorized*	30,00,00,000	30,000.00	
(b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;	20,02,83,372	20,028.34	
(c) par value per share (₹ 10)	-	-	
(d) a reconciliation of the number of shares outstanding at the beginning and at the end of the period;	Details given in Note 1	Details given in Note 1	
(e) the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;	NA	NA	There is only one class as Equity share. The Company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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. Dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.
(f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;	19,54,85,619	19,548.56	As on March 31, 2025 Holding company is Manappuram Finance Limited(Details given as Note 2)
(g) shares in the company held by each shareholder holding more than five percent shares specifying the number of shares held;	19,54,85,619	19,548.56	As on March 31, 2025 Holding company is Manappuram Finance Limited(Details given as Note 2)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

For each class of equity share capital:	No of equity share	Amount(Equity share) (in ₹ Lakhs)	Remarks
(h) shares reserved for issue under options and contracts/ commitments for the sale of shares or disinvestment, including the terms and amounts;	NA	NA	
(i) For the period of five years immediately preceding the date at which the Balance Sheet is prepared:			
• Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;	NA	NA	
• Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and**	NA	NA	
• Aggregate number and class of shares bought back;	NA	NA	
(j) terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date;	NA	NA	
(k) calls unpaid (showing aggregate value of calls unpaid by Directors and officers);	NA	NA	
(l) forfeited shares (amount originally paid up)	NA	NA	
(m) An NBFC shall disclose information that enables users of its financial statements to evaluate the NBFC's objectives, policies and processes for managing capital.	NA	NA	

**During the year ended March 31, 2024, the authorized preference share capital was sub-divided from 10,00,000 Preference Shares of ₹ 100 each to 1,00,00,000 Preference Shares of ₹ 10 each. Further the Company reclassified 1,00,00,000 Preference Shares of ₹ 10 each to 1,00,00,000 Equity Shares of ₹ 10 each and during the year ended March 31, 2024, the authorized equity share capital was increased from 10,00,00,000 equity shares of ₹ 10 each amounting to ₹ 10,000 Lakhs to 30,00,00,000 equity shares of INR 10 each amounting to ₹ 30,000 Lakhs which was duly approved by the board in meeting dated August 16, 2023 and by the shareholders of the Company by means of an ordinary resolution dated August 18, 2023.*

***i) The Board of Directors at their meeting held on June 14, 2023 approved rights issue of 41,20,879 equity shares of ₹ 10/- each at a premium of ₹ 354/- per share amounting to ₹ 149,99,99,956/- which was allotted at the Board Meeting held on June 30, 2023.*

ii) Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on August 16, 2023 had approved the bonus issue of two for every one share held on record date which was approved by the shareholders by means of a special resolution dated August 18, 2023. Through a Board resolution dated August 26, 2023, the Company has allotted 13,35,22,248 equity shares of ₹ 10 each as bonus shares to the existing equity shareholders of the Company.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

A company shall disclose Shareholding of Promoters** as below:

Shares held by promoters at the end of the year			% Change during the year***
Promoter name	**No. of Shares***	**%of total shares**	
Manappuram Finance Limited	19,54,85,619	97.60%	0.00%
Mr. V.P Nandakumar	7,78,209	0.39%	0.00%

** Details shall be given separately for each class of shares*

*"** Pursuant to Board Resolution dated September 22, 2023, based on the current operations and management of the Company and the provisions of the Companies Act, SEBI Regulations and other applicable laws, Manappuram Finance Limited has been identified as the promoter of the Company.*

Pursuant to Board Resolution dated February 13, 2024, based on the current operations and management of the Company and the provisions of the Companies Act, SEBI Regulations and other applicable laws, Mr. V.P Nandakumar has been identified as the individual promoter of the Company."

**** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.*

Note 1

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	No. of shares*	**Amount**	**No. of shares***	**Amount**
At the beginning of the year	20,02,83,372	20,028.34	6,26,40,245	6,264.02
Issued during the year	-	-	13,76,43,127	13,764.32
Outstanding at the end of the period/year	**20,02,83,372**	**20,028.34**	**20,02,83,372**	**20,028.34**

Note 2

Class of shares / Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	No of shares held*	**% holding in the class of shares**	**No of shares held***	**% holding in the class of shares**
Equity Shares of ₹ 10 each Manappuram Finance Limited (the Holding Company)	19,54,85,619	97.60%	19,54,85,619	97.60%

** No. of shares are in absolute numbers*

Note 3 Terms / Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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.

Dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

Employees Stock Option Scheme (ESOS) (Also, refer note no 52) :

During the year ended March 31, 2020, the Company introduced Employee Stock Option Scheme to eligible employees of the Company w.e.f from July 01, 2019 ("Relevant Date"). Accordingly 8,30,000 options were issued with a graded vesting period and no options are outstanding as at March 31, 2025.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025
(All amounts in ₹ lakhs unless otherwise stated)

23 Other equity

	As at March 31, 2025	As at March 31, 2024
(a) Capital redemption reserve	500.00	500.00
(b) ESOP Contribution	-	16.93
(c) Statutory reserve	23,657.55	23,657.55
(d) Securities premium account	81,113.74	81,113.74
(e) General reserve	154.30	141.64
(f) Retained Earning (Surplus in statement of profit and loss)	25,823.61	89,695.30
(g) Remeasurement Gain/Loss On Defined Benefit Obligation	(302.43)	(290.59)
(h) OCI(Effective portion of cash flow hedge)	84.91	243.85
(i) Equity Investments Fair valued through other comprehensive income	0.55	0.55
(j) Other Investments Fair valued through other comprehensive income	490.54	(270.64)
(k) OCI(Tax related to items that will not be reclassified)	69.49	66.51
(l) OCI(Tax related to items that will be reclassified)	(144.81)	6.76
	1,31,447.45	**1,94,881.60**

(a) Capital redemption reserve

In accordance with Section 69 of the Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve

(b) ESOP Contribution

Under Ind AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

(c) Statutory reserve

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve on the financial information.

(d) Securities Premium Account

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(e) General reserve

General reserve represents an appropriation of profits by the Company.

(f) Retained Earning (Surplus in statement of profit and loss)

Surplus in statement of profit and loss represents the surplus in Profit and Loss Account and appropriations.

(g) Other comprehensive income (OCI) - Remeasurement Gain/ Loss On Defined Benefit Obligation

Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability.

(h) OCI (Effective portion of cash flow hedge)

Represents remeasurement of cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI

(i) Equity Investments Fair valued through other comprehensive income

Represents the change in equity investments which is fair value through OCI

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

(j) Other Investments Fair valued through other comprehensive income

Represents the change in other investments which are fair value through OCI

(k) OCI (Tax related to items that will not be reclassified)

Represents the tax relating to items that will not be reclassified

(l) OCI (Tax related to items that will be reclassified)

Represents the tax relating to items that will be reclassified

	As at March 31, 2025	As at March 31, 2024
(a) Capital redemption reserve		
Opening balance	500.00	500.00
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	**500.00**	**500.00**
(b) ESOS Contribution (Refer Note No. 52)		
Opening balance	16.93	53.53
Add/(Less) : (Reversal)/Contribution during the year	-	0.64
Less : Adjustment for Forfeiture and Expiration	(16.93)	(37.24)
Less : Utilised during the year	-	-
Closing balance	**-**	**16.93**
(c) Statutory reserve		
Opening balance	23,657.55	14,491.48
Add: Additions during the year (Also, refer note no 50)	-	9,166.07
Less: Utilised / transferred during the year	-	-
Closing balance	**23,657.55**	**23,657.55**
(d) Securities premium account		
Opening balance	81,113.74	79,878.05
Add : Premium on shares issued during the year	-	14,587.91
Less : Utilised during the year	-	(13,352.22)
Closing balance	**81,113.74**	**81,113.74**
(e) General reserve		
Opening balance	141.64	113.78
Add: Transferred from surplus in statement of profit and loss	-	-
Less: Utilised / transferred during the year	-	-
Add : Adjustment for Forfeiture and Expiration ESOP	16.93	37.24
Less: Adjustment for Deferred Tax	(4.27)	(9.38)
Closing balance	**154.30**	**141.64**
(f) Retained Earning (Surplus in statement of profit and loss)		
Opening balance	89,695.30	53,031.00
Add / (Less) : Profit for the year	(63,871.69)	45,830.37
Less: Restatement Impact	-	-
Less:Transfer to Statutory Reserve	-	(9,166.07)
Closing balance	**25,823.61**	**89,695.30**
(g) Remeasurement Gain/Loss On Defined Benefit Obligation		
Opening balance	(290.59)	(42.98)
Add / (Less): Effect for the year	(11.84)	(247.61)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Less:Transfer to Statutory Reserve	-	-
Closing balance	**(302.43)**	**(290.59)**
(h) OCI (Effective portion of cash flow hedge)		
Opening balance	243.85	655.36
Add / (Less): Effect for the year	(158.94)	(411.51)
Closing balance	**84.91**	**243.85**
(i) Equity Investments Fair valued through other comprehensive income		
Opening balance	0.55	0.65
Less: Effect for the year	-	(0.10)
Closing balance	**0.55**	**0.55**
(j) Investments Fair valued through other comprehensive income		
Opening balance	(270.64)	(512.50)
Less: Effect for the year	761.18	241.86
Closing balance	**490.54**	**(270.64)**
(k) OCI (Tax related to items that will not be reclassified)		
Opening balance	66.51	4.16
Less: Effect for the year	2.98	62.35
Closing balance	**69.49**	**66.51**
(l) OCI (Tax related to items that will be reclassified)		
Opening balance	6.76	(35.94)
Less: Effect for the year	(151.57)	42.70
Closing balance	**(144.81)**	**6.76**
Total	**1,31,447.45**	**1,94,881.60**

24 (a) Interest income (at Amortised Cost)

	Year ended March 31, 2025	Year ended March 31, 2024
(i) Interest income from loan:		
- Interest on loan- microfinance loans	2,26,349.90	2,26,855.05
- Interest on loan- MSME & Gold loans	24,125.83	18,714.93
(ii) Interest on deposits with banks and financial institutions	9,411.16	5,838.77
(iii) Other interest income	-	-
	2,59,886.89	**2,51,408.75**

24 (b) Net gain on derecognition of financial instruments under amortised cost category

	Year ended March 31, 2025	Year ended March 31, 2024
Net gain on derecognition of financial instruments under amortised cost category	9,140.47	14,250.01
	9,140.47	**14,250.01**

24 (c) Dividend income and gain on sale of mutual fund

	Year ended March 31, 2025	Year ended March 31, 2024
Dividend income	12.50	-
	12.50	**-**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

25 Other operating income

	Year ended March 31, 2025	Year ended March 31, 2024
Loss assets recovered	1,502.94	2,472.68
	1,502.94	**2,472.68**

26 Other income

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Referral fees	917.42	4,568.55
(b) Gain on sale of investments classified as FVOCI	13.50	-
(c) Miscellaneous income	1,965.26	494.20
	2,896.18	**5,062.75**

27 Finance cost

	Year ended March 31, 2025	Year ended March 31, 2024
Finance cost on financial liability measured at amortised cost		
(a) Interest on borrowings		
- Term Loans from banks	83,905.61	65,567.85
- Term Loans from NBFCs	2,327.81	3,992.06
- Borrowings under securitisation arrangement	1,755.14	3,971.07
- Other financial institutions	-	580.00
- Commercial paper	-	146.64
- Overdraft	1.81	127.20
(b) Interest on debt securities		
- Debentures & subordinated liabilities	11,090.38	16,881.43
(c) Other interest expense		
- Interest on finance lease obligations	1,541.74	1,490.40
(d) Other Borrowing Costs		
- Loan processing fees	28.15	167.87
- Bank charges	2,775.38	1,816.80
	1,03,426.01	**94,741.32**

28 Impairment of financial instruments (Also, refer note 7.4)

	Year ended March 31, 2025	Year ended March 31, 2024
Loans	1,64,814.65	43,695.14
Investments	4,827.57	2,098.16
Other Financial Assets	36.20	579.65
	1,69,678.42	**46,372.95**
Less : Exceptional item	-	-
	1,69,678.42	**46,372.95**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

29 Employee benefit expenses

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Salaries and wages	51,919.27	44,544.26
(b) Contributions to provident and other funds	4,520.38	3,924.92
(c) Gratuity expenses (Also, refer note 35)	669.66	576.24
(d) Staff welfare expenses	(829.02)	(207.35)
(e) ESOP Expenses (Refer Note No. 52)	-	0.64
	56,280.29	**48,838.71**

30 Depreciation and amortisation expense (Also, refer note 12)

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Depreciation of tangible assets	2,119.81	1,652.43
(b) Amortization of other intangible assets	541.05	529.26
(c) Amortization of right of use asset	3,059.20	2,894.55
	5,720.06	**5,076.24**

31 Other expenses

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Electricity	507.67	509.24
(b) Rent (Also, refer note 34)	667.07	331.17
(c) Repairs and maintenance	338.66	132.67
(d) Insurance	1,322.78	1,015.32
(e) Rates and taxes	351.29	287.38
(f) Communication expenses	1,371.65	1,090.84
(g) Travel and conveyance	6,512.29	5,851.40
(h) Printing and stationery	596.42	572.62
(i) Directors' sitting fees	83.31	71.66
(j) Business promotion	282.68	465.81
(k) CSR expenses (Also, refer note 48)	635.74	241.63
(l) Legal and professional fees	2,369.16	1,314.68
(m) Provision for insurance claim receivable	(229.93)	(82.67)
(n) Subscription charges	119.52	81.81
(o) Software costs (Also, refer note 36)	2,836.96	2,202.39
(p) Security charges	27.28	25.31
(q) House keeping expenses	232.31	231.07
(r) Office expenses	144.92	696.46
(s) Directors commission (Also, refer note 36)	177.67	183.97
(t) Loss on sale of property, plant & equipment	-	-
(u) Payments to statutory auditors' (net of input tax credit)		
- Statutory audit	26.95	26.95
- Tax audit	2.73	2.73
- Other services (Limited Review, Interim Audit and Certification)	11.28	11.28
- Out of pocket expenses	64.03	31.16
(v) Miscellaneous expenses	982.30	706.61
	19,434.74	**16,001.49**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

32 Segment reporting

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Microfinance Loans.The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company,and makes strategic decisions and are identified as being the CODM. The allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations and no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities.

33 Earnings per share

Basic and Diluted earnings per share :

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Net Profit attributable to Equity Shareholders - ₹ in Lakhs (Basic and Diluted)	(63,871.69)	45,830.37
(b) Weighted average number of equity shares in calculating basic Earnings Per Share (Nos.)*	20,02,83,372.00	19,72,43,379.30
(c) Earnings per share - Basic ₹ (Per equity share, face value ₹ 10/- each)	(31.89)	23.24
(d) Weighted average number of equity shares in calculating Diluted Earnings Per Share (Nos.)*	20,02,83,372.00	19,72,47,091.42
(e) Earnings per share - Diluted - ₹ (Per equity share, face value ₹ 10/- each)	(31.89)	23.24

** The Board of directors of the Company at its meeting held on August 16, 2023, considered and approved issue of 2 bonus equity shares of face value of ₹ 10/- each against 1 equity share of the face value of ₹ 10 each. The shareholders in their meeting held on August 18 ,2023, have approved the issue of bonus shares and through a Board resolution dated August 26, 2023, the Company has allotted equity shares as bonus shares to the existing equity shareholders of the Company. The Company has adjusted earning per share for all the periods presented as per Ind AS 33. The impact of bonus shares on the rights issue is considered from the date when the shares under rights issue were alloted.*

34 Leases

Details of Income/Expense recognised in the statement of Profit and Loss :

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation expense on right-of-use assets	3,059.20	2,894.55
Interest expense on lease liabilities	1,541.74	1,490.40
Total cash outflow for leases	3,825.13	3,342.17
Lease expense on Low Value Assets / Short term assets	667.07	331.17
	9,093.15	**8,058.29**

Maturity analysis of Lease Liabilities (valued on undiscounted basis):

	Year ended March 31, 2025	Year ended March 31, 2024
Year 1	3,050.73	1,108.32
Year 2	2,542.50	1,916.75
Year 3	1,773.70	1,661.92
Year 4	1,466.58	2,876.78
Year 5	6,996.74	3,291.49

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025
(All amounts in ₹ lakhs unless otherwise stated)

35 Employee benefits

35.1 Defined contribution plan

(a) The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(b) Expenses recognised

	Year ended March 31, 2025	Year ended March 31, 2024
Included under 'Contributions to Provident and Other Funds' (Refer Note 29)		
Contributions to provident and pension funds	3,543.62	3,055.62
Contributions to Employee State Insurance	976.76	869.30
	4,520.38	**3,924.92**

35.2 Compensated absences

Expenses recognised

	Year ended March 31, 2025	Year ended March 31, 2024
Included under salaries and wages (Refer Note 29)	288.26	186.74
	288.26	**186.74**

	Year ended March 31, 2025	Year ended March 31, 2024
Current portion	237.98	205.63
Non - current portion	433.51	385.13
Net liability/(asset) recognised in the balance sheet	**671.49**	**590.76**

The key assumptions used in the computation of provision for compensated absences are as given below:

		As at March 31, 2025	As at March 31, 2024
Discount Rate (% p.a)		6.40%	6.90%
Future Salary Increase (% p.a)		10.00%	10.00%
Attrition Rate	(i) below 35 years	35.00%	35.00%
	(ii) above 35 years	30.00%	20.00%

35.3 Defined benefit plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

	As at March 31, 2025	As at March 31, 2024
Amounts recognised in statement of profit & loss		
Service cost		
- Current service cost	645.90	544.66
- Past service cost	-	-
- Net interest expense	23.76	31.58
Components of defined benefit costs recognised in statement of profit or loss (A)	**669.66**	**576.24**
Amounts recognised in statement of other comprehensive income		
Actuarial (gain)/loss on Plan Obligations	83.50	298.06
Difference between actual return and interest income on plan assets- (gain)/loss	(71.66)	(50.45)
Components of defined benefit costs recognised in other comprehensive income (B)	**11.84**	**247.61**
Total	**681.50**	**823.85**

(i) The current service cost and interest expense for the year are included in the Note 29 - Employee benefit expenses in the statement of profit & loss under the line contribution to provident and other funds.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(iii) The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit credit method.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	3,229.65	2,784.35
Fair value of plan assets	2,736.27	2,195.21
Net (Liability) recognised in the balance sheet	**(493.38)**	**(589.14)**
Current portion of the above	-	-
Non current portion of the above	(493.38)	(589.14)
	(493.38)	**(589.14)**

(c) Movement in the present value of the defined benefit obligation are as follows :

	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation at the beginning of the year	2,784.35	2,455.44
Expenses recognised in profit and loss account		
- Current Service cost	645.90	544.66
- Past Service Cost	-	-
- Interest expense (income)	192.12	174.34
Remeasurement gains / (losses)	-	-
- Effect of Changes in Demographic assumptions	(80.89)	-
- Effect of Changes in financial assumptions	56.26	41.11
- Effect of experience adjustments	108.13	256.95
Benefit payments	(500.13)	(884.72)
Effect of transfer of employees from Holding Company	23.91	196.57
Present value of defined benefit obligation at the end of the year	**3,229.65**	**2,784.35**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

(i) The weighted average duration of the benefit obligation at March 31, 2025 is 2 years (at March 31, 2024 is 2.5 years)

(d) Movement in fair value of plan assets are as follows :

	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the beginning of the year	2,195.21	1,873.93
expenses recognised in profit and loss account		
- Expected return on plan assets	168.36	142.76
Remeasurement gains / (losses)	-	-
- Actuarial gains/(loss) arising from changes in financial assumptions	71.66	50.45
Contributions by employer (including benefit payments recoverable)	777.26	816.22
Benefit payments	(500.13)	(884.72)
Effect of transfer of employees from Holding Company	23.91	196.57
Fair value of plan assets at the end of the year	**2,736.27**	**2,195.21**

(e) The fair value of plan assets for India at the end of the reporting period for each category are as follows :

	As at March 31, 2025	As at March 31, 2024
Investment funds with insurance company (Life Insurance Corporation of India)	2,736.27	2,195.21

(i) The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.

(ii) The actual return on plan asset as for the year ended March 31, 2025 was ₹ 240.02 Lakhs (for the year ended March 31, 2024 was ₹ 193.21 Lakhs)

(f) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.40%	6.90%
Expected rate of salary increase	10.00%	10.00%
Withdrawal Rate		
(i) below 35 years	35.00%	35.00%
(ii) above 35 years	30.00%	20.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

1. The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation.

2. The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

3. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund (maintained by the Life Insurance Corporation ("LIC")) and is well diversed.

Risks associated with plan provisions

Investment risk:

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Interest risk:

A decrease in the yield of Indian government securities will increase the plan liability.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

Sensitivity analysis:

The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	As at March 31, 2025	As at March 31, 2024
(a) Discount rate		
- Increase by 50 bps	(55.35)	(57.68)
- Decrease by 50 bps	59.19	62.33
(b) Salary growth rate		
- Increase by 50 bps	56.66	59.93
- Decrease by 50 bps	(54.07)	(56.59)
(c) Withdrawal rate		
- Increase by 50 bps	(19.68)	(18.03)
- Decrease by 50 bps	20.50	19.04
(d) Mortality rate		
- Increase in Expected life time by one year	0.15	0.20
- Increase in Expected life time by three years	0.45	0.60

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

(g) Effect of plan on entity's future cash flows

(i) The Company expects to make a contribution of ₹ 800 Lakhs during FY 2025-26.

(ii) The weighted average duration of the benefit obligation at March 31, 2025 is 2 years (at March 31, 2024 is 2.5 years)

(iii) Maturity profile of defined benefit obligation:

Expected cash flows over the next (valued on undiscounted basis):

	As at March 31, 2025	As at March 31, 2024
Within 1 year	800.00	800.00
1 to 5 years	N/A	N/A
More than 5 years	N/A	N/A

Experience Adjustments

	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation	3,229.65	2,784.35
Fair value of plan assets	2,736.27	2,195.21
Surplus/(deficit)	(493.38)	(589.14)
Experience adjustment on plan liabilities [(Gain)/Loss]	(83.50)	(298.06)
Experience adjustment on plan assets [Gain/(Loss)]	71.66	50.45

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

36 Related party transactions

36.1 Names of related parties and nature of relationship

Nature of relationship	Name of the party
Key Management Personnel (KMP) of the company	Mr. V P Nandakumar - Chairman*
	Mr. B N Raveendra Babu - Managing Director
	Mr. S V Raja Vaidyanathan - Non Independent Director
	Mr. Gautam Rathindranath Saigal - Non Independent Director
	Mr. Abhijit Sen - Independent Director
	Mr. Desh Raj Dogra - Independent Director
	Mr. Subrata Kumar Atindra Mitra - Independent Director
	Mr. T Balakrishnan - Independent Director
	Ms. Pushya Sitaraman - Independent Director
	Mr. Harshan Kollara - Independent Director
	Ms. Anita Belani - Independent Director
	Mr. A Ramanathan - Independent Director (upto November 30, 2023)
	Mr. Rajesh KRN Namboodiripad - Chief Financial Officer
	Ms. Aparna Menon - Company Secretary
	Mr. Satish C K Kutty Nair (w.e.f June 03, 2024 till July 27, 2024)
Holding company	Manappuram Finance Limited
Key Management Personnel (KMP) of the holding company	Ms. Sumitha Nandan - Executive Director of Manappuram Finance Limited*
	Ms. Bindu A L - Chief Financial Officer of Manappuram Finance Limited*
	Mr. Manoj Kumar V R - Company Secretary of Manappuram Finance Limited*
Group Entities	Manappuram Comptech and Consultants Limited
	Manappuram Insurance Brokers Limited
	Manappuram Home Finance Limited*
Associates / Enterprises owned or significantly influenced by key management personnel or their relatives.	MAFIN Enterprise *
	Manappuram Travels *
	Manappuram Chits *
	Earthables Projects LLP*
	Manappuram Chits (Karnataka) Private Limited *
	Manappuram Chit Funds Company Private Limited *
	Adlux Medicity And Convention Centre Private Limited *
	SNST Advisories Private Limited *
	DTA Advisory Private Limited *
	DTB Advisory Private Limited *
	DT3 Advisory Private Limited *
	Orange Retail Finance India Private Limited *
	Finance Industry Development Council *
	Macare Dental Care Private Limited*
	Manappuram Health Care Limited *
	Manappuram Construction and Consultants Limited *
	Manappuram Finance Limited*
	Manappuram Chits (India) Limited *
	Manappuram Agro Farms Limited *
	Manappuram Jewellers Limited*
	Manappuram Asset Finance Limited *
	MABEN Nidhi Limited*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Nature of relationship	Name of the party
	Manappuram Foundation
	Mukundapuram Educational and Cultural Society *
	IIM, Calicut *
	Federation of Indian Chambers of Commerce and Industry *
	Manappuram Finance Empolyees Group Gratuity Fund Trust*
	Sanjeev Enterprises*
	Abirami Consultants And Securities Private Limited *
	Proficient Investment And Financial Consultancy Private Limited *
	Acsys Investments Private Limited *
	Media Works Private Limited *
	Farvision Securities Private Limited*
	Aham Housing Finance Limited*
	Asirvad Development Foundation*
	PPFAS Asset Management Private Limited*
	QSK Advisory LLP*
	Pachira Financial Services LLP
	Bonanza Business Services Private Limited*
	Muralya Dairy Products Private Limited*
	Shiksha Financial Services India Private Limited*
	M Power Micro Finance Private Limited*
	Infomerics Valuation and Rating Limited
	Fenca Limited, UK (Erstwhile known as Fast Encash Money Transfer Services, UK)*
	Morgan & Harvey Services Ltd, UK*
	Value Finance Corporation Limited, UK*
	Value Finance Ltd, UK*
Relatives of Key Management Personnel (KMP) of the company and the holding company	Ms. Sushama Nandakumar (wife of Mr. V P Nandakumar) *
	Mr. Sooraj Nandan (son of Mr. V P Nandakumar) *
	Mr. Suhas Nandan (son of Mr. V P Nandakumar) *
	Ms. Shruti Sooraj (Son's wife of V P Nandakumar) *
	Ms. Niniraj (Son's wife of V P Nandakumar) *
	Mr. Jayasankar (Daughter's Husband of V P Nandakumar) *
	Ms. Jyothi Prasannan (Sister of V P Nandakumar) *
	Ms. Shelly Ekalavian (Sister of V P Nandakumar)*
	Ms. Girija Vaidyanathan (Wife of Mr. S V Raja Vaidyanathan)
	Ms. Alamelu Venkataraman (Mother of Mr. S V Raja Vaidyanathan) *
	Mr. Sanjeev Vaidyanathan (Son of Mr. S V Raja Vaidyanathan) *
	Ms. Anjana Vaidyanathan (Daughter of Mr. S V Raja Vaidyanathan) *
	Ms. Saisudha (Son's wife of Mr. S V Raja Vaidyanathan) *
	Mr. Anand Ramakrishnan (Daughter's Husband of Mr. S V Raja Vaidyanathan) *
	Mr. S V Sekar (Brother of Mr. S V Raja Vaidyanathan) *
	Mr. S V Krishnamurthy (Brother of Mr. S V Raja Vaidyanathan)*
	Ms. Susila Sethuraman (Sister of Mr. S V Raja Vaidyanathan)*
	HUF: Subrata Kumar Mitra- Karta *
	Ms. Susmita Mitra (Wife of Mr. Subrata Kumar Atindra Mitra) *
	Ms. Sanjukta Mitra Sethu (Daughter of Mr. Subrata Kumar Atindra Mitra) *
	Ms. Srimoyee Mitra (Daughter of Mr. Subrata Kumar Atindra Mitra) *
	Mr. Santosh Sethu Madhavan (Daughter's Husband of Mr. Subrata Kumar Atindra Mitra) *

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Nature of relationship	Name of the party
Relatives of Key Management Personnel (KMP) of the company and the holding company	Mr. Gabriel Sirois (Daughter's Husband of Mr. Subrata Kumar Atindra Mitra) *
	Mr. Sujit Kumar Mitra (Brother of Mr. Subrata Kumar Atindra Mitra) *
	Mr. Sudhish Mitra (Brother of Mr. Subrata Kumar Atindra Mitra) *
	Ms. Chitra Guha Roy (Sister of Mr. Subrata Kumar Atindra Mitra)*
	Ms. Rajalakshmy (Wife of Mr. B N Raveendra Babu) *
	Ms. Boby Arun Kumar (Daughter of Mr. B N Raveendra Babu) *
	Ms. Biji Babu (Daughter of Mr. B N Raveendra Babu) *
	Mr. Sanjai (Daughter's Husband of Mr. B N Raveendra Babu) *
	Mr. Arun Kumar (Daughter's Husband of Mr. B N Raveendra Babu) *
	Ms. Prasanna (Sister of Mr. B N Raveendra Babu)*
	Ms. Seema Saigal (Wife of Mr. Gautam Rathindranath Saigal)*
	Ms. Srishti Saigal (Daughter of Mr. Gautam Rathindranath Saigal) *
	Mr. Rathindranath Saigal (Father of Mr. Gautam Rathindranath Saigal) *
	Mr. Rahul Saigal (Brother of Mr. Gautam Rathindranath Saigal)*
	Ms. Bindu Balakrishnan (Wife of Mr. T Balakrishnan) *
	Mr. Vishnusai Balakrishnan (Son of Mr. T Balakrishnan) *
	Mr. Sivasai Balakrishnan (Son of Mr. T Balakrishnan) *
	Ms. Alex Arabit Sai (Son's wife of Mr. T Balakrishnan) *
	Mr. T. Raveendran (Brother of Mr. T Balakrishnan) *
	Ms. T. Vijayalakshmy (Sister of Mr. T Balakrishnan)*
	Mr. C R Sitaraman (Husband of Ms. Pushya Sitaraman) *
	Ms. Sharanya Sitaraman (Daughter of Ms. Pushya Sitaraman) *
	Ms. Varsha Sitaraman (Daughter of Ms. Pushya Sitaraman) *
	Mr. Anand Nandakumar (Daughter's Husband of Ms. Pushya Sitaraman) *
	Mr. Tanuj Mehra (Daughter's Husband of Ms. Pushya Sitaraman) *
	Mr. P Raghunandan (Brother of Ms. Pushya Sitaraman) *
	Ms. Jayanthi Sekhar (Sister of Ms. Pushya Sitaraman) *
	Ms. Suman Sambamurthy (Sister of Ms. Pushya Sitaraman)*
	Ms.Tamashree Sen (Wife of Mr. Abhijit Sen) *
	Ms. Arati Sen (Mother of Mr. Abhijit Sen) *
	Mr. Rohan Sen (Son of Mr. Abhijit Sen) *
	Mr. Vivek Sen (Son of Mr. Abhijit Sen) *
	Ms. Snehal Naik (Son's wife of Mr. Abhijit Sen) *
	Ms. Amanda Barbee (Son's wife of Mr. Abhijit Sen) *
	Mr. Bishwajit Sen (Brother of Mr. Abhijit Sen)*
	Ms. Rama Dogra (Wife of Mr. Desh Raj Dogra) *
	Ms. Aashima A Freitag (Daughter of Mr. Desh Raj Dogra) *
	Ms. Arti S Mhatre (Daughter of Mr. Desh Raj Dogra) *
	Mr. Armin Freitag (Daughter's Husband of Mr. Desh Raj Dogra) *
	Ms. Samit Mhatre (Daughter's Husband of Mr. Desh Raj Dogra) *
	Mr. Subhash Dogra (Brother of Mr. Desh Raj Dogra) *
	Ms. Sarmishta Dogra (Sister of Mr. Desh Raj Dogra) *
	Ms. Kamlesh Sharma (Sister of Mr. Desh Raj Dogra)*
	Mr. Nandakumar Kollara (Son of Mr. Harshan Kollara) *
	Mr. Jaihari Kollara (Son of Mr. Harshan Kollara) *
	Ms. Elena T Kollara (Son's wife of Mr. Harshan Kollara) *
	Dr. Sugathan Kollara (Brother of Mr. Harshan Kollara) *

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Nature of relationship	Name of the party
Relatives of Key Management Personnel (KMP) of the company and the holding company	Mr. Sreenath Kollara (Brother of Mr. Harshan Kollara) *
	Ms. Sarala K S (Sister of Mr. Harshan Kollara) *
	Ms. Jayanthy K S (Sister of Mr. Harshan Kollara) *
	Ms. Sunitha K S (Sister of Mr. Harshan Kollara)*
	Mr. Uttam D Belani (Father of Ms. Anita Belani) *
	Mr. Rajesh Belani (Brother of Ms. Anita Belani) *
	Ms. Sunita Tendolkar (Sister of Ms. Anita Belani) *
	Ms. Renu Motwani (Step Sister of Ms. Anita Belani)*
	Ms. Dhanya (Wife of Mr. Rajesh KRN Namboodiripad) *
	Ms. Parvathy Devi (Mother of Mr. Rajesh KRN Namboodiripad) *
	Ms. Anushree (Daughter of Mr. Rajesh KRN Namboodiripad)*
	Ms. KR Rekha (Sister of Mr. Rajesh KRN Namboodiripad)*
	Mr. Adarsh Govind (Husband of Ms. Aparna Menon) *
	Ms. Beena Menon (Mother of Ms. Aparna Menon) *
	Ms. Samara Adarsh (Daughter of Ms. Aparna Menon) *
	Ms. Anjana Menon (Sister of Ms. Aparna Menon)*
	Ms. Siji MG (Wife of Mr. Manoj Kumar V R) *
	Mr. Raman V K (Father of Mr. Manoj Kumar V R) *
	Ms. Vilasini V K (Mother of Mr. Manoj Kumar V R) *
	Mr. Harikrishna M Manoj (Son of Mr. Manoj Kumar V R) *
	Mr. Naveen Kumar V R (Brother of Mr. Manoj Kumar V R) *
	Mr. Praveen V R (Brother of Mr. Manoj Kumar V R) *
	Ms. Geetha V R (Sister of Mr. Manoj Kumar V R)*
	Mr. Benny (Husband of Ms. Bindu A L) *
	Ms. Rosily Lonappan (Mother of Ms. Bindu A L) *
	Mr. Amal Benny (Son of Ms. Bindu A L) *
	Ms. Anna Ben (Daughter of Ms. Bindu A L) *
	Mr. Biju A.L (Brother of Ms. Bindu A L)*
	Mr. Nelson A.L (Brother of Ms. Bindu A L)*
	Ms. Anushka Jayasankar (Daughter of Ms. Sumitha Nandan)*
	Ms. Aashirya Jayasankar (Daughter of Ms. Sumitha Nandan)*

** No transactions with these related parties*

Note: Related party relationships are as identified by the Management.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

36.2 A. Transactions with the related parties

Nature	Name of the party	Year ended March 31, 2025	Year ended March 31, 2024
Remuneration to KMP	Mr. BN Raveendra Babu	152.68	144.34
	Mr.Rajesh KRN Namboodiripad	33.17	31.64
	Ms. Aparna Menon	19.55	17.80
	Satish C K Kutty Nair	14.73	-
Donation	Manappuram Foundation	556.54	395.95
Issue of Right Shares (Including Securities Premium)*	Manappuram Finance Limited	-	14,644.24
	Mr. S V Raja Vaidyanathan	-	217.43
	Mr. V P Nandakumar	-	58.28
	Mr. A Ramanathan	-	8.01
	Mr. D.R. Dogra	-	40.86
	Mr. Gautam Saigal	-	11.54
	Mr. BN Raveendra Babu	-	14.12
Issue of Bonus Shares (Ratio 2:1)**	Manappuram Finance Limited (13,03,23,746 Shares)	-	-
	Mr. S V Raja Vaidyanathan (22,39,468 Shares)	-	-
	Mr. V P Nandakumar (5,18,806 Shares)	-	-
	Mr. A Ramanathan (76,400 Shares)	-	-
	Mr. D.R. Dogra (59,648 Shares)	-	-
	Mr. Gautam Saigal (1,02,670 Shares)	-	-
	Mr. BN Raveendra Babu (1,25,644 Shares)	-	-
Term Loan	Manappuram Finance Limited	-	12,000.00
Sub-debt	Manappuram Finance Limited	-	15,000.00
Rent & other amenities	Manappuram Finance Limited	19.97	39.61
Reimbursement of Expense	Manappuram Finance Limited	-	71.66
Rent receivable (Including Reimburesement)	Manappuram Finance Limited	23.52	13.86
Rating fee payable	Infomerics Valuation and Rating Private Limited	14.91	74.68
Advisory Services	Pachira Financial Service Limited	81.75	-
Training expenses	Manappuram Finance Limited	64.60	66.23
Interest Expense	Vivriti Capital Limited	-	147.85
	Manappuram Finance Limited	1,687.50	1,961.94
	Mr. S V Raja Vaidyanathan	46.42	-
	Mrs. Girija Vaidyanathan	4.10	-
Purchase of software	Manappuram Comptech and Consultants Limited	1,602.33	1,191.89
Software expense	Manappuram Comptech and Consultants Limited	1,098.49	1,104.56
Sitting fees	Mr. A Ramanathan	-	4.88
	Mr. Abhijit Sen	9.83	8.77
	Mr. D.R. Dogra	10.15	8.28
	Mr. Gautam Saigal	10.34	8.59
	Ms. Pushya Sitaraman	7.18	5.70
	Mr. Subrata Kumar Atindra Mitra	6.65	5.13
	Mr. T. Balakrishnan	12.01	8.38
	Mr. Harshan Kollara	10.18	7.35
	Ms.Anita Belani	5.07	4.29
	Mr. S V Raja Vaidyanathan	11.89	10.10

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Nature	Name of the party	Year ended March 31, 2025	Year ended March 31, 2024
Commission (Excluding GST)	Mr. A Ramanathan	14.00	1.90
	Mr. D.R. Dogra	-	22.05
	Mr. Subrata Kumar Atindra Mitra	-	20.20
	Mr. Abhijit Sen	-	15.80
	Mr. Gautam Saigal	-	19.77
	Ms. Pushya Sitaraman	-	19.77
	Mr. T. Balakrishnan	-	19.77
	Mr.Harshan Kollara	-	19.30
	Ms.Anita Belani	-	14.32
	Mr. S V Raja Vaidyanathan	-	15.90
	Mr BN Raveendra Babu	-	60.00

**The Board approved the Right issue of 41,20,879 Equity Shares of ₹ 10 each fully paid up at ₹ 364 per share at the meeting held on June 30, 2023.*

***Through a Board resolution dated August 26, 2023, the Company has allotted 13,35,22,248 equity shares of ₹ 10 each as bonus shares to the existing equity shareholders of the Company.*

B. Transactions of the beneficial related party

Nature	Name of the party	Year ended March 31, 2025	Year ended March 31, 2024
Insurance Commission on insurance premium paid by Asirvad Micro Finance Limited	Manappuram Insurance Brokers Ltd	12.29	15.92

36.3 Balance as at year end

Nature	Name of the party	Year ended March 31, 2025	Year ended March 31, 2024
Interest on loan payable	Manappuram Finance Limited	1,479.45	1,484.08
Training expense payable	Manappuram Finance Limited	14.73	66.23
Rent receivable	Manappuram Finance Limited	2.01	-
Software expense payable	Manappuram Comptech and Consultants Limited	20.26	30.07
Software purchase payable	Manappuram Comptech and Consultants Limited	141.04	-
Performance incentive payable	Mr. BN Raveendra Babu	-	60.00
Commission payable	Mr. D.R. Dogra	-	19.50
	Mr. Subrata Kumar Atindra Mitra	-	17.50
	Mr. Abhijit Sen	-	14.00
	Mr. Gautam Saigal	-	17.50
	Ms. Pushya Sitaraman	-	17.50
	Mr. T. Balakrishnan	-	17.50
	Mr.Harshan Kollara	-	17.50
	Anita Belani	-	14.00
	Mr. S V Raja Vaidyanathan	-	14.00

Note:

(a) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties.

(b) The Related Parties have confirmed to the Management that as at year ended March 31, 2025 and March 31, 2024 there are no further amounts payable to / receivable from them, other than as disclosed above.

(c) The above compensation to key management personnel includes value of pequisites and excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

(d) The transactions during the period are Inclusive of GST wherever applicable except for commission.

36.4 Disclosures of Transactions Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015:

Particulars	As at year ended March 31, 2025		As at year ended March 31, 2024	
	Amount Outstanding	Maximum Amount Outstanding during the year	Amount Outstanding	Maximum Amount Outstanding during the year
Loans and advances in the nature of loans				
From Holding Company	15,000	15,000	15,000	40,000
To Fellow Subsidiaries	-	-	-	-
To Associates	-	-	-	-
Where there is			-	-
No Repayment Schedule	-	-	-	-
Repayment Schedule beyond 7 years	-	-	-	-
No Interest	-	-	-	-
Interest below the rate as specified in section 186 of the Companies Act, 2013	-	-	-	-
To Firms / Companies in which directors are interested (Other the (a) and (b) above)	-	-	-	-
Investments by the Loanee in the Shares of Parent Company and Subsidiary Company	-	-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

36.5 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025):

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management		Relatives of Key Management Personnel		Others		Total	
Items	**Mar 2025**	**Mar 2024**	**Mar 2025**	**Mar 2024**	**Mar 2025**	**Mar 2024**	**Mar 2025**	**Mar 2024**	**Mar 2025**	**Mar 2024**	**Mar 2025**	**Mar 2024**	**Mar 2025**	**Mar 2024**
Borrowings														
Manappuram Finance Limited (Outstanding)	15,000.00	15,000.00	-	-	-	-	-	-	-	-	-	-	15,000.00	15,000.00
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid														
Manappuram Finance Limited	1,687.50	1,961.94	-	-	-	-	-	-	-	-	-	-	1,687.50	1,961.94
Vivriti Capital Limited	-	-	-	-	-	-	-	-	-	-	-	147.85	-	147.85
Mr. S V Raja Vaidyanathan*	-	-	-	-	-	-	-	-	-	-	46.42	-	46.42	-
Mrs. Girija Vaidyanathan*	-	-	-	-	-	-	-	-	-	-	4.10	-	4.10	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others														
Donation (Manappuram Foundation)	-	-	-	-	-	-	-	-	-	-	556.54	395.95	556.54	395.95
Purchase of software (Manappuram Comptech and Consultants Limited)	-	-	-	-	-	-	-	-	-	-	1,602.33	1,191.89	1,602.33	1,191.89
Software expense (Manappuram Comptech and Consultants Limited)	-	-	-	-	-	-	-	-	-	-	1,098.49	1,104.56	1,098.49	1,104.56

**This item is not more than 5 % of total related party transactions*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

37 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loans from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing ratio :

	As at March 31, 2025	As at March 31, 2024
Borrowings	6,93,820.72	10,00,690.14
Cash and bank balance	(25,627.98)	(96,254.64)
Net debt (A)	**6,68,192.74**	**9,04,435.50**
Equity share capital	20,028.34	20,028.34
Other equity	1,31,447.45	1,94,881.60
Total equity (B)	**1,51,475.79**	**2,14,909.94**
Net debt to equity ratio (A/B)	**4.41**	**4.21**

38 Categories of financial instruments

The carrying value and fair value of the financial instruments by categories are as follows:

Particulars	Carrying Value		Fair Value	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(a) Financial assets				
Measured at amortised cost				
- Loans	7,01,609.22	10,29,534.74	7,01,609.22	10,29,534.74
- Cash and cash equivalents	25,627.98	96,254.64	25,627.98	96,254.64
- Bank balance other than above	39,607.62	37,196.96	39,607.62	37,196.96
- Other financial assets	7,864.63	13,826.85	7,864.63	13,826.85
- Loan given to staff	-	153.07	-	153.07
Measured at fair value through OCI				
- Investments	20,679.75	19,493.07	20,679.75	19,493.07
Measured at fair value through Profit or Loss				
- Investments	20,197.39	18,833.06	20,197.39	18,833.06
Hedge accounting				
- Derivative financial instruments	1,118.24	1,356.72	1,118.24	1,356.72
Total	**8,16,704.83**	**12,16,649.11**	**8,16,704.83**	**12,16,649.11**
(b) Financial liabilities :				
Measured at amortised cost				
- Debt securities	2,486.87	61,989.07	2,486.87	61,989.07
- Borrowings (other than debt security)	6,26,374.72	8,73,570.67	6,26,374.72	8,73,570.67
- Subordinated liabilities	64,959.13	65,130.40	64,959.13	65,130.40
- Trade payables	2,813.10	2,121.53	2,813.10	2,121.53
- Derivative financial instruments	-	-	-	-
- Other financial liabilities	26,502.02	30,677.78	26,502.02	30,677.78
Hedge accounting				
- Derivative financial instruments				
Total	**7,23,135.84**	**10,33,489.45**	**7,23,135.84**	**10,33,489.44**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

The management assessed that fair value of loans, cash and cash equivalents, bank balances, other financial assets, borrowings, trade payables, derivative financial instrument and other financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

39 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the management on a continuous basis.

(a) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(I) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. 'The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The Company provides for expected credit loss based on the following:

Assets covered	Nature	Basis of expected credit loss
Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans and other financial assets	Low credit risk	Life time expected credit loss
Loans	Moderate credit risk	Life time expected credit loss
Loans	High credit risk	Life time expected credit loss

Financial assets that expose the entity to credit risk

Particulars	Nature	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents (excluding cash on hand)	Low credit risk	24,653.10	94,911.53
Bank balance other than cash and cash equivalents	Low credit risk	39,607.62	37,196.96
Loans	Low credit risk	6,35,975.03	9,89,131.65
Loans	Moderate credit risk	40,613.69	18,833.33
Loans	High credit risk	25,020.51	21,722.83
Investments	Low credit risk	40,877.14	38,326.13
Other financial assets	Low credit risk	7,864.63	13,826.85

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country

Other financial assets

Other financial assets measured at amortized cost includes security deposits, receivable on assignment, advances recoverable on behalf of business correspondence arrangements, insurance claim receivables and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

The major guidelines for selection of the client includes:

1. The client's income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India;
2. The client must possess the required KYC documents
3. The client's household must be engaged in some form of economic activity which ensures regular and assured income;
4. Client must agree to follow the rules and regulations of the organisation and
5. Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organisation undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organisation in identifying clients with poor repayment histories and multiple loans

(II) Credit risk exposure

(i) Expected credit losses for financial assets other than loans

The Company have not made expected credit losses for financial assets other than loans and other financial assets mentioned below as the maturity is within twelve months from the balance sheet date.

Particulars	Cash and cash equivalents	Other bank balance	Loan given to staff	Investments	Other financial assets
As at March 31, 2025					
Estimated gross carrying amount	25,627.98	39,607.62	-	47,802.87	7,926.80
Less: Expected credit losses	-	-	-	6,925.73	62.17
Net carrying amount	**25,627.98**	**39,607.62**	**-**	**40,877.14**	**7,864.63**
As at March 31, 2024					
Estimated gross carrying amount	96,254.64	37,196.96	154.06	40,424.29	14,406.50
Less: Expected credit losses	-	-	0.99	2,098.16	579.65
Net carrying amount	**96,254.64**	**37,196.96**	**153.07**	**38,326.13**	**13,826.85**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

(ii) Movement of carrying amount and expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 01, 2023	**8,47,060.67**	**18,120.44**	**26,883.48**
Assets originated*	2,09,985.25	17,410.92	37,938.48
Net transfer between stages	-	-	-
Transfer to stage 1	-	(195.76)	(10.96)
Transfer to stage 2	(15,748.20)	-	(22.36)
Transfer to stage 3	(31,585.77)	(2,563.57)	-
Assets derecognised or collected (excluding write offs)	(10,616.40)	(7,497.28)	(9,485.47)
Write - offs (including death cases)	(32.41)	(5,177.20)	(11,291.69)
Gross carrying amount as at March 31, 2024	**9,99,063.15**	**20,097.55**	**44,011.48**
Assets originated*	(1,38,588.15)	48,508.46	59,829.37
Net transfer between stages	-	-	-
Transfer to stage 1		(263.02)	(69.42)
Transfer to stage 2	(53,268.89)	-	(9.57)
Transfer to stage 3	(61,702.10)	(1,197.56)	-
Assets derecognised or collected (excluding write offs)	-	(20.80)	(19,251.95)
Write - offs (including death cases)	(92,855.02)	(16,221.92)	(14,189.95)
Gross carrying amount as at March 31, 2025	**6,52,648.98**	**50,902.72**	**70,319.96**

**Assets originated during the year has been presented on net basis i.e. the collections towards loans has been netted off.*

(iii) Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance as at April 01, 2023	**7,995.61**	**1,610.86**	**15,548.44**
Increase of provision due to assets originated during the year	23,292.85	6,881.48	17,535.61
Net transfer between stages	-	-	-
Transfer to stage 1	-	12.70	4.19
Transfer to stage 2	(834.87)	-	4.31
Transfer to stage 3	(15,306.19)	(997.39)	-
Assets derecognised or collected (excluding write offs)	(5,198.42)	(3,694.97)	(5,087.70)
Impact of ECL on exposures transferred between stages during the year	-	-	-
Write - offs (including death cases)	(17.49)	(2,548.46)	(5,716.20)
Gross carrying amount as at March 31, 2024	**9,931.49**	**1,264.22**	**22,288.65**
Increase of provision due to assets originated during the year	1,01,208.76	17,105.34	42,544.79
Net transfer between stages			
Transfer to stage 1	-	6.48	8.08
Transfer to stage 2	(9,297.26)	-	1.25
Transfer to stage 3	(39,740.80)	(638.62)	-
Assets derecognised or collected (excluding write offs)	-	(10.57)	(9,780.30)
Impact of ECL on exposures transferred between stages during the year	-	-	-
Write - offs (including death cases)	(47,171.95)	(8,241.14)	(7,215.97)
Gross carrying amount as at March 31, 2025	**14,930.23**	**9,485.72**	**47,846.49**

(#) If the probability of default increases or decrease by 10 basis point the expected credit loss will increase or decrease by ₹ 419.98 Lakhs (as at March 31, 2024 ₹ 506.05 Lakhs).

Similarly if the loss given default increases or decrease by 100 basis point the expected credit loss will increase or decrease by ₹ 1,141.31 Lakhs (as at March 31, 2024 ₹ 491.74 Lakhs).

(III) Concentration of loans (*)

Particulars	As at March 31, 2025	As at March 31, 2024
Micro finance loans	6,70,297.93	9,65,660.40
Micro, small and medium enterprise (MSME)	10,735.30	8,543.82
Gold loans	92,838.44	88,814.88
Total	**7,73,871.67**	**10,63,019.10**
Total Assets	8,76,794.43	12,51,047.91
Percentage of Gold Loans to Total Assets	10.59%	7.10%

(*) The above figures represents the gross loan value along with interest accrued

(b) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Refer Note 42.19 which details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(c) Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, principally because the Company lend to customers at fixed interest rates and for periods that may differ from our funding sources, while the borrowings are at both fixed and variable interest rates for different periods. The Company assess and manage the interest rate risk by managing the assets and liabilities. The Asset Liability Management Committee ensures that all significant mismatches, if any, are being managed appropriately.

The Company has Board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

Sensitivity

The sensitivity of the statement of profit and loss is the effect of the changes in market interest rates on bank and other borrowings. Below is the sensitivity of profit and loss in interest rates.

Particulars	As at March 31, 2025	As at March 31, 2024
Interest sensitivity*		
Interest rates – increase by 0.50%	2,561.67	3,473.00
Interest rates – decrease by 0.50%	(2,561.67)	(3,473.00)

** Holding all other variables constant*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Price Risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

Foreign currency risk

The Company is exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB). The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated March 26, 2019 and updated from time to time) which requires entities raising ECB for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure (Principal and Coupon). The Company hedges its entire ECB exposure for the full tenure of the ECB as per Board approved Interest Rate risk, Currency risk hedging policy.

The Company for its ECB, evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs. The Company manages its currency risks by entering into derivatives contracts as hedge positions and the same are being governed through the Board approved Interest rate risk, Currency risk hedging policy.

The Company's exposure of foreign currency risk (Euros) at the end of the reporting period expressed in ₹ are as follows:

Hedged	Impact on profit an loss account	
	As at March 31, 2025	As at March 31, 2024
USD Sensitivity		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-
EURO Sensitivity		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-

Particular	Impact on other comprehensive income	
	As at March 31, 2025	As at March 31, 2024
USD Sensitivity		
Hedging Instrument		
INR/USD - Increase by 1%*	81.80	108.40
INR/USD - Decrease by 1%*	(81.80)	(108.40)
Hedged Item		
INR/USD - Increase by 1%*	(77.02)	(100.05)
INR/USD - Decrease by 1%*	77.02	100.05
EURO Sensitivity		
Hedging Instrument		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-
Hedged Item		
INR/USD - Increase by 1%*	-	-
INR/USD - Decrease by 1%*	-	-

Unhedged

* represents the notional amount of the derivative financial instrument

Hedging policy

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

40 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on and to the extent of information received by the Company from the suppliers during the year regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars for the years ended March 31, 2025 and March 31, 2024 are furnished below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Note:

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

41 Contingent Liabilities and commitments

	As at March 31, 2025	As at March 31, 2024
A. Contingent liabilities:		
(a) Claims against the company not acknowledged as debt;	-	-
(b) Guarantees excluding financial guarantees; and	**-**	**-**
(c) Other money for which the company is contingently liable {refer (i) below)}	**8,902.00**	**6,907.07**
(i) Income Tax		
- Income Tax (A.Y. 2015-16)	1,124.50	1,124.50
- Income Tax (A.Y. 2016-17)	1,978.91	1,978.91
- Income Tax (A.Y. 2017-18)	1,348.79	1,348.79
- Income Tax (A.Y. 2020-21)	1,953.49	1,953.49
- Income Tax (A.Y. 2021-22)	501.38	501.38
- Income Tax (A.Y. 2023-24)	1,875.58	
	8,782.65	**6,907.07**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
(ii) Indirect Tax (GST)		
- GST (FY 2017-20)	60.94	-
- GST (FY 2022-23)	35.98	-
	96.92	**-**
(iii) Non Tax Cases	**22.43**	**-**
B. Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Other Intangible Assets	-	-
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments (specify nature).	-	-
	-	-

A) Income Tax

Income Tax (A.Y. 2015-16)

During the FY 2017-18, the Company has received an Assessment order under Section 143(3) for the AY 2015-16 with a demand of ₹ 1,124.50 by taxing the receipt of share premium amount received by the Company as unexplained cash credits, expense claimed towards employee stock option scheme and disallowance of depreciation under Section 32 of the Income Tax Act, 1961.

The Company has filed appeals against the above with the CIT(A) and paid an amount of ₹ 224.90 Lakhs being 20% of the total demand and the same has been disclosed as part of Deposit under protest.Further the case is dismissed without addressing the appallants specific arguements and the Company filed appeal against ITAT and expecting a favourable outcome in this regard.

Income Tax (A.Y. 2016-17)

During the FY 2018-19, the Company has received an Assessment order under Section 143(3) for the AY 2016-17 with a demand of ₹ 1,978.91 Lakhs by taxing the receipt of share premium amount received by the Company as unexplained cash credits under Section 56(2)(viib) of the Income Tax Act, 1961.

The Company has filed appeals against the above with the CIT(A) and paid an amount of ₹ 395.78 Lakhs being 20% of the total demand and the same has been disclosed as part of Deposit under protest.Further the case is dismissed without addressing the appallants specific arguements and the Company filed appeal against ITAT and expecting a favourable outcome in this regard.

Income Tax (A.Y. 2017-18)

As per the order under Section 143(3), the Assessing Officer (AO) concluded that the assessee had claimed interest passed on to the SPV Trust in relation to a securitization transaction as a reduction from its income, amounting to ₹2899.57 lakhs. The AO added back this amount, alleging that it was a 'finance cost' claimed by the assessee on securitized assets that no longer belonged to it.

However, the interest on the securitization loan was only reduced from the corresponding gross finance income, which includes interest on securitized assets. In a securitization arrangement, the interest on securitized loans is not the appellant's income, as it accrues to the Issuer and not to the appellant. Therefore, the question of substantiating this under the Income Tax Act does not arise, as it is not the appellant's income.

Additionally, the AO disallowed an amount of ₹162 Lakhs under Section 69A, representing Specified Bank Notes accepted and deposited by the assessee in its bank accounts during the demonetization period and the company has created a provision to the tune of ₹ 172.57 Lakhs for the same

The Company has filed an appeal against this order with CIT(A) and has paid ₹304.27 lakhs, being 20% of the total demand, which has been disclosed as a 'Deposit under Protest.' However, the appeal was dismissed without addressing the appellant's specific arguments. Consequently, the Company has filed an appeal with ITAT and expects a favorable outcome in this regard.

Income Tax (A.Y. 2020-21)

As per the order under Section 143(3), the Income Tax Department raised a demand of ₹2,134.39 lakhs due to discrepancies related to incorrect reporting of ICDS Adjustment,bonus and leave encashment in the ITR vis-à-vis the tax audit report, and delays in remitting employee contributions to the PF. The Company has created a provision of ₹180.90 lakhs for expenses that may be disallowed. The remaining demand stands at ₹1,953.49 lakhs.

The Company filed an appeal with CIT(A), which was dismissed without addressing the appellant's specific arguments. Consequently, the Company has filed an appeal with ITAT and expects a favorable outcome in this regard.

Income Tax (A.Y. 2021-22)

As per the intimation received under Section 143(1), expenses amounting to ₹1,560.61 lakhs were disallowed, resulting in a tax demand of ₹557.35 lakhs and this was due to discrepancies in the reporting of bonus, leave encashment, and gratuity between the Income Tax Return (ITR) and the Tax Audit Report, as well as delays in remitting employees' contributions to PF/ESI and recovery of bad and doubtful debt u/s 41. However, the management believes that only ₹195.03 lakhs needs to be disallowed and accordingly, a provision of ₹55.98 lakhs has been created, and the remaining demand amounts is ₹501.37 lakhs.

The company filed an appeal with the CIT(A), which was dismissed without addressing the appellant's specific arguments. Subsequently, an appeal was filed with the Income Tax Appellate Tribunal (ITAT), which referred back the case for further assessment to CIT(A) and the company anticipates a favorable outcome in this regard.

Income Tax (AY 2023-24)

The Central Processing Centre (CPC) processed the company's return of income under Section 143(1) and determined a differential tax liability of ₹1,875.58 lakhs. This arose due to the disallowance of an amount under Section 41, treating bad debt recovery as taxable, despite it already being reported as other income in the Income Tax Return and deductions claimed under Section 80JJAA were disallowed due to procedural lapses. The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favorable outcome is expected in this regard.

GST (FY 2017-20)

The company had received notice in Form GST ADT -01 dated 27/04/2022 u/s 65 of CGST Act, 2017 intimating conduct of audit of Books of accounts for the period 2017-18 to 2019-20. An Intimation of Form GST DRC - 01A bearing DIN: 20230459X0000444A6D dated 11.04.2023 was issued proposing to demand tax along with interest for Excess availment of ISD ITC and Availment of Ineligible ITC amounting to ₹ 6015562.00. The Department has proceeded to issue Assessment Order and DRC-07 on 15/12/2023 upholding the demand. An Appeal against the Assessment order has been filed on 13-03-2024 and the company has a high chance of obtaing favourable order considering the facts and circumstances

GST (FY 2022-23)

During the FY 2024-25, the company received a notice under Section 61 Rule 99 of the CGST Act 2017,dated 21-1-25. This notice intimated a discrepancy in the return and alleged excess availment of ITC for FY 2022-23 amounting to 3597538.00. The company has since filed a reply to the Deputy Commissioner of Sales Tax. Given that there was no excess availment of Input Tax Credit, we believe the company has a high chance of a favourable outcome in this matter.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025
(All amounts in ₹ lakhs unless otherwise stated)

SEBI

During the financial year, the Company received a Show Cause Notice from SEBI dated September 03, 2024 ("SCN"), regarding certain matters w.r.t Non-Convertible Debentures ("NCDs") issued under ISIN: INE516Q08281. The Company filed a detailed reply to this SCN. This matter is pending. The NCDs were redeemed on March 12, 2024.

Others

There are 5 Non tax cases where the company has adequately disclosed as contingent liablity.

42 Disclosure Pursuant to Reserve Bank of India Notification DNBR (PD) CC No. 002/03.10.001/2014-15 dt. November 10, 2014

42.01 Details of registration with financial regulators

Regulator	Registration No.
Ministry of Company Affairs	CIN:U65923TN2007PLC064550
Reserve Bank of India	N-07-00769 dated September 27, 2016

42.02 Disclosure of penalties imposed by RBI and other regulators

There are no penalty imposed by Reserve Bank of India and other regulators for the year ended March 31 , 2025, March 31 , 2024, except for the folloiwng:

For the Year Ended March 31, 2025

Regulator	Reason	Amount (In Rupees)
RBI	Regulatory Non Compliance	6,20,000.00

42.03 Related party transactions

Details of all material related party transactions are disclosed in Note 36.

42.04 Remuneration of directors

Details of commission payable to non executive directors are disclosed in Note 36.

42.05 Concentration of advances, exposures and NPA's

The Company operates in the business of microfinance providing collateral free loans for fixed amounts ranging from ₹ 3,099 to ₹ 1,25,000 to women engaged in various income generating activities. As at March 31,2025, the company has provided loans to more than 34.92 lakhs women and hence, the disclosure relating to concentration to advances, exposures and NPA's are not applicable to the Company.

42.06 Ratings assigned by credit rating agencies

Particulars	Amount Rated (In Lakhs)*	March 31, 2025	March 31, 2024
Commercial paper	40,000	Crisil A1+	Crisil A1+
Bank Loan Facilities	9,00,000	Crisil AA-/Stable	Crisil AA-/Stable
Long Term Bank Facilities	2,00,000	Care AA- /Stable	NA
Long term Non-Convertible Debentures	53,700	Crisil AA-/Stable	Crisil AA-/Stable
Long term Non-Convertible Debentures	20,000	Care AA- /Stable	NA
MFI Grading	NA	CARE MFI-1	CARE MFI-1
Subordinated Debt	91,000	Crisil AA-/Stable	Crisil AA-/Stable
COCA report	NA	CARE C1	CARE C1
Market Linked Debentures	45,050	Crisil PPMLD AA-/ Stable	Crisil PPMLD AA-/ Stable

**Amount rated is as on March 31, 2025.*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

42.07 Sector-wise NPAs:

	March 31, 2025	March 31, 2024
Agriculture & allied activities	10.82%	3.63%
MSME	16.83%	6.09%
Corporate borrowers	NA	NA
Services	15.80%	8.02%
Unsecured personal loans	37.80%	14.67%
Auto loans (commercial vehicles)	NA	NA
Other loans	1.57%	1.72%

42.08 Provisions and Contingencies (shown under the head Expenditure in Statement of Profit and Loss)

	Year ended March 31, 2025	Year ended March 31, 2024
Provision for income tax (excluding deferred tax)	-	19,448.50
Provision towards standard assets	13,001.66	2,214.01
Provision towards non performing assets	1,56,676.76	44,158.94
Provision and contingencies on gratuity	669.66	576.24
Provision towards compensated absences	288.26	186.74
Provision for insurance claim receivable	(229.93)	(82.67)
Provision for Receivable from Resigned Staff	4,626.35	2,614.55
	1,75,032.76	**69,116.31**

42.09 Movement of NPAs

	March 31, 2025	March 31, 2024
Net NPAs to net advances (%)	2.46%	1.71%
Movement of NPAs (Gross)		
(a) Opening balance	40,315.44	25,190.64
(b) Additions during the year	1,77,468.82	64,143.83
(c) Reductions during the year	(1,52,270.80)	(49,019.03)
(d) Closing balance	**65,513.46**	**40,315.44**
Movement of Net NPAs		
(a) Opening balance	18,045.76	10,111.20
(b) Additions during the year	25,552.77	22,256.52
(c) Reductions during the year	(25,931.56)	(14,321.96)
(d) Closing balance	**17,666.97**	**18,045.76**
Movement of provisions for receivables under financing activities		
(a) Opening balance	22,269.68	15,079.44
(b) Provisions made during the year	1,51,916.05	41,887.31
(c) Write-off / write-back of excess provisions	(1,26,339.24)	(34,697.07)
(d) Closing balance	**47,846.49**	**22,269.68**

42.10 Overseas assets (for those with Joint ventures and Subsidiaries abroad)

The Company did not have any overseas assets during the current and previous year.

42.11 Off-balance sheet SPVs sponsored

The Company did not sponsor any SPVs during the current and previous year.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

42.12 During the year there are no instances of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeding the sanctioned limit or outstanding or entire outstanding whichever is higher.

During the year company has not given any advances with intangible collateral such as charge over the rights, licenses, authority etc.

42.13 Investments

	March 31, 2025	March 31, 2024
Value of Investments		
(i) Gross Value of Investments		
(a) In India	47,802.87	40,424.13
(b) Outside India,	-	
(ii) Provisions for Depreciation		
(a) In India	6,925.73	2,098.00
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	40,877.14	38,326.13
(b) Outside India.	-	-
Movement of provisions held towards depreciation on investments	-	-
(i) Opening balance	2,098.00	-
(ii) Add : Provisions made during the year	4,827.73	2,098.00
(iii) Less : Write-off / write-back of excess	-	-
(iv) Closing balance	6,925.73	2,098.00

42.14 Derivatives:

	March 31, 2025	March 31, 2024
Cross Currency Interest Rate Swap		
The notional principal of swap agreements	7,702.33	10,004.88
(Gains)/losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	1,118.24	1,356.72
Collateral required by the NBFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book	1,118.24	1,356.72

Quantitative disclosures

Particulars	March 31, 2025	March 31, 2024
Derivatives (notional principal amount)		
For hedging	7,702.33	10,004.88
Marked to market positions		
a) Asset (+)	1,118.24	1,356.72
b) Liability (-)	-	-
Credit exposure	-	-
Unhedged exposure	-	-

Qualitative disclosure

During the year ended March 31, 2025 and March 31, 2024 the Company has an existing derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS). Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is

recognised in the Statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of profit and loss depends on the nature of the hedge relationship. During the year ended March 31, 2025 and March 31, 2024 the Company has designated derivatives as cash flow hedges of a recognised liability and has no fair value hedges. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk Management objective and strategy for undertaking the hedge. The documentation includes the Company's risk Management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

During the year ended March 31, 2025 and March 31, 2024 hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

42.15 Capital Adequacy Ratio

Particulars	As at March 31, 2025			As at March 31, 2024		
	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio
(a) Capital to risk-weighted assets ratio (CRAR)	1,56,436.27	7,47,330.74	20.93%	2,47,394.59	10,85,586.41	22.79%
(b) Tier I CRAR	1,18,295.23	7,47,330.74	15.83%	1,99,722.36	10,85,586.41	18.40%
(c) Tier II CRAR	38,141.03	7,47,330.74	5.10%	47,672.23	10,85,586.41	4.39%
(d) Liquidity Coverage Ratio	39,882.04	20,801.77	191.72%	57,464.73	27,997.25	205.25%

42.16 Details of financing of parent company products

The Company does not finance any parent company's products and accordingly disclosures is not required.

42.17 Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC

There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

42.18 Unsecured Advances

Refer note 7(a)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

42.19 Asset Liability Management

(a) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2025:*

Particulars	1 to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks & NBFCs	1,876.65	7,632.97	21,822.44	40,510.75	57,131.28	1,14,052.05	1,78,072.38	1,76,663.16	8,805.94	-	6,06,567.62
Market Borrowings	1.50	-	-	-	-	-	2,500.00	20,500.00	32,500.00	10,000.00	65,501.50
Securitisation	-	-	2,233.62	3,062.31	1,082.98	2,515.73	3,734.26	5,266.87	-	-	17,895.77
Interest Payable	36.48	591.48	161.89	1,479.45	17.68	822.95	745.89	-	-	-	3,855.82
Total	**1,914.63**	**8,224.45**	**24,217.95**	**45,052.51**	**58,231.94**	**1,17,390.73**	**1,85,052.53**	**2,02,430.03**	**41,305.94**	**10,000.00**	**6,93,820.71**
Assets											
Advances	19,858.83	9,375.42	21,085.79	43,699.79	42,122.86	1,21,291.94	2,36,953.84	2,06,758.70	294.63	-	7,01,441.80
Investments	20,674.00	-	-	-	786.60	-	-	-	-	19,416.54	40,877.14
Total	**40,532.83**	**9,375.42**	**21,085.79**	**43,699.79**	**42,909.46**	**1,21,291.94**	**2,36,953.84**	**2,06,758.70**	**294.63**	**19,416.54**	**7,42,318.94**

**Numbers appearing in the ALM table is extracted from DNBS-4 filed with the RBI by the company for the month of March 2025*

As per the previous financial year, the ALM was prepared considering the entire off-book portfolio. However, in the current year, it has been prepared based only on the on-book items (On-book DA). Additionally, the interest accrual portion has been incorporated in Note 42 for the current year.

(b) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2024:

Particulars	1 to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks & NBFCs	3,759.41	12,065.54	23,312.31	41,675.28	46,974.88	1,35,908.77	2,30,801.37	3,23,102.49	15,823.00	1,200.00	8,34,623.05
Market Borrowings	-	-	-	8,000.00	-	40,850.00	6,868.17	11,014.41	28,000.00	25,000.00	1,19,732.58
Securitisation	-	-	21,569.14	21,263.42	21,142.55	53,489.65	32,229.76	15,757.27	-	-	1,65,451.79
Cash Credit	600.00						1,149.6				1,749.59
Total	**4,359.41**	**12,065.54**	**44,881.45**	**70,938.70**	**68,117.43**	**2,30,248.42**	**2,71,048.89**	**3,49,874.17**	**43,823.00**	**26,200.00**	**11,21,557.01**
Assets											
Advances	12,389.69	12,389.69	28,319.28	59,421.55	53,978.68	2,09,207.47	5,28,143.04	2,48,565.73	629.28	75.89	11,53,120.30
Investments	19,487.32	-	-	-	-	-	-	-	-	18,838.81	38,326.13
Total	**31,877.01**	**12,389.69**	**28,319.28**	**59,421.55**	**53,978.68**	**2,09,207.47**	**5,28,143.04**	**2,48,565.73**	**629.28**	**18,914.70**	**11,91,446.43**

42.20 Draw down from reserves - Disclosure as per RBI/2014-15/299 DNBR (PD) CC.No.002/03.10.00 1/2014-November 15, 10, 2014

There are no drawdown reserves from statutory reserves during the year ended March 31,2025.

43 Additional disclosure pursuant to paragraph 53 of Resolution Framework for COVID-19-related Stress- RBI/2020-21/16- DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 read with Resolution framework 2.0 - RBI/2021-22/31 DOR.STR.RCEC.11/21.04.048/2021-22 dated May 05, 2021

For the year ended March 31, 2025

Serial Number	Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of previous half year i.e. Spetember 30, 2024 (A)	Of (A),aggregate debt that slipped into NPA during the half year	Of (A), amount written off during the half year	Of (A), amount paid by borrowers	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of this half year
1	MSME loans	84.08	0.27	-	8.33	75.74
2	Others	3.91	0.69	1.00	2.83	0.08
	Total	**87.99**	**0.96**	**1.00**	**11.16**	**75.82**

For the year ended March 31, 2024

Serial Number	Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of previous half year i.e. Spetember 30, 2023 (A)	Of (A),aggregate debt that slipped into NPA during the half year	Of (A), amount written off during the half year	Of (A), amount paid by borrowers	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of this half year
1	MSME loans	111.96	6.63	-	18.38	93.58
2	Others	259.62	58.28	1.99	74.04	183.60
	Total	**371.58**	**64.91**	**1.99**	**92.42**	**277.18**

44 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025):

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

Particulars	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
As at March 31, 2025	29	627,759.99	Not Applicable	86.55%
As at March 31, 2024	28	876,934.69	Not Applicable	84.63%

Notes:

A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 1% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

(ii) Top 20 large deposits (amount in lakhs and % of total deposits) - Not applicable

(iii) Top 10 borrowings

Particulars	As at March 31, 2025		As at March 31, 2024	
	Amount	% of Total borrowings	Amount	% of Total borrowings
Top 10 borrowings	3,71,718.87	51.25%	5,14,982.66	49.70%

(iv) Funding concentration based on significant instrument / product

Name of the instrument/product	As at March 31, 2025		As at March 31, 2024	
	Amount	% of total liabilities	Amount	% of total liabilities
Borrowings (other than debt securities)	6,26,374.72	86.36%	8,73,570.67	84.31%
Debt securities	2,486.87	0.34%	61,989.07	5.98%
Subordinated liabilities	64,959.13	8.96%	65,130.40	6.29%

Notes:

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/ products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(v) Stock Ratio

Particulars	As at March 31, 2025	As at March 31, 2024
Commercial papers as a % of total liabilities	0.00%	0.00%
Commercial papers as a % of total assets	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	4.18%	3.31%
Other short-term liabilities as a % of total assets	3.46%	2.74%

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. 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 and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

45 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025):

S. No	Particulars	As at March 31, 2025		As at March 31, 2024	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities:				
1	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**				
(a)	Debentures				
	- Secured	2,485.04	-	60,824.87	-
	- Unsecured	64,960.97	-	66,294.60	-
	(other than falling within the meaning of public deposits)				
(b)	Deferred credits	-	-	-	-
(c)	Term loans				
	- Secured	6,08,478.94	-	8,35,377.64	-
	- Unsecured	-	-	1,997.08	-
(d)	Inter-corporate loans and borrowings		-	-	-
(e)	Commercial paper	-	-	-	-
(f)	Finance lease obligations	-	-	-	-
(g)	Associated liabilities in respect of securitization transactions	-	-	-	-
(h)	Cash credits	-	-	-	-

S. No	Particulars	Amount Outstanding	
		As at March 31, 2025	As at March 31, 2024
	Assets:		
2	**Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below] :**		
(a)	Secured	1,03,573.74	97,358.70
(b)	Unsecured	6,70,297.93	9,65,660.40
3	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
(i)	Lease assets including lease rentals accrued and due:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

S. No	Particulars	Amount Outstanding	
		As at March 31, 2025	As at March 31, 2024
4	**Break-up of Investments**		
	Current Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
	Long Term Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	20,674.00	19,487.32
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	-	5.75
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
(v)	Investment in Pass Through Certificates	-	-
(v)	Investment in Pass Through Certificates	-	-
(vi)	Investment in Equity Tranche	786.60	453.80
(vii)	Others(Security Receipts in ARC and PTC)	19,416.54	18,379.26

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

5 Borrower Group-wise Classification of Assets Financed as in (2) and (3) above

S. No	Category	As at March 31, 2025 (Net of Provisions)			As at March 31, 2024 (Net of Provisions)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
							-
2	Other than related parties	1,02,710.92	5,98,898.30	7,01,609.22	96,870.49	9,32,664.25	10,29,534.74
		1,02,710.92	**5,98,898.30**	**7,01,609.22**	**96,870.49**	**9,32,664.25**	**10,29,534.74**

Note: The amount of Assets financed represents the net owned portfolio outstanding after adjusting the provisions for standard, substandard and doubtful assets.

6 Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :

S. No	Category	As at March 31, 2025		As at March 31, 2024	
		Market Value / Break up Value or Fair Value or Net Asset Value	Book Value	Market Value / Break up Value or Fair Value or Net Asset Value	Book Value
1	Related parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	40,877.14	40,877.14	38,326.13	38,326.13
		40,877.14	**40,877.14**	**38,326.13**	**38,326.13**

7 Other Information

S. No	Category	As at March 31, 2025		As at March 31, 2024	
		Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i)	Gross non-performing assets	-	65,513.46	-	40,315.44
(ii)	Net non-performing assets	-	17,666.97	-	18,045.76
(iii)	Assets acquired in satisfaction of debt	-	-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

46 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025):

Particulars	As at June 30, 2024		As at September 30, 2024		As at December 31, 2024		As at March 31, 2025	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
Cash and bank balances	46,250.00	46,250.00	34,605.00	34,605.00	18,553.00	18,553.00	10,059.82	10,059.82
Unencumbered fixed deposits							-	-
Investment in G sec	23,596.00	23,596.00	24,061.00	24,061.00	25,196.00	25,196.00	29,822.22	29,822.22
	69,846.00	**69,846.00**	**58,666.00**	**58,666.00**	**43,749.00**	**43,749.00**	**39,882.04**	**39,882.04**
Cash Outflows								
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	-	-	-	-	-	-	-	-
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
Outflows related to loss of funding of debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	82,921.00	95,359.15	71,680.00	82,432.00	79,452.00	91,369.80	72,353.99	83,207.09
Other contingent funding obligations	-	-	-	-	-	-	-	-
	82,921.00	**95,359.15**	**71,680.00**	**82,432.00**	**79,452.00**	**91,369.80**	**72,353.99**	**83,207.09**
Cash Inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing exposures	-	-	-	-	-	-	-	-
Monthly Collection & Other cash inflows	90,463.00	67,847.25	1,13,796.00	85,347.00	85,975.00	64,481.25	68,966.40	51,724.80
Contingent Funding/Credit Line available	56,800.00	42,600.00		-	50,000.00	37,500.00	50,000.00	37,500.00
	1,47,263.00	**1,10,447.25**	**1,13,796.00**	**85,347.00**	**1,35,975.00**	**1,01,981.25**	**1,18,966.40**	**89,224.80**

Liquidity coverage ratio

Particulars	As at June 30, 2024	As at September 30, 2024	As at December 31, 2024	As at March 31, 2025
Total high quality liquid assets (a)	69,846.00	58,666.00	43,749.00	39,882.04
Total net cash outflows (b)	23,839.79	20,608.00	22,842.45	20,801.77
Liquidity coverage ratio (a)/(b)	**292.98%**	**284.68%**	**191.52%**	**191.72%**

The inflows and outflows for the three months period June 30, 2024, September 30, 2024, December 31, 2024 and March 31, 2025 have been extracted from the form DNBS 4 filed by the company with Reserve bank of India.

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025). The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the year ended March 31, 2025 was 191.72% which is above the regulatory requirement.

47 RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated on September 29, 2016

(a) For the year ended FY 2024-25

Category	More than ₹ 1 Lakh		Less than ₹ 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	373	1,487.25	117	52.39
- By Others	1	1.14	10	3.72
Total	**374**	**1,488.39**	**127**	**56.11**

(a) For the year ended FY 2023-24

Category	More than ₹ 1 Lakh		Less than ₹ 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	129	2,013.47	-	-
- By Others	2	2.24	22	11.08
Total	**131**	**2,015.71**	**22**	**11.08**

Note: The above summary is prepared based on the information available with the Company and relied upon by the Auditors.

47.1 Disclosure as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025):

Net Interest Margin during the Year:

	Year ended March 31, 2025	Year ended March 31, 2024
Average Interest (a)	24.62%	25.00%
Average effective cost for borrowing Interest (b)	10.27%	10.33%
Net Interest Margin (a-b)	**14.35%**	**14.67%**

The Average interest represents the weighted average interest rate at which loans have been disbursed to the customers for the years ended March 31, 2025, March 31, 2024.

The Average interest cost of borrowings of the Company for the years ended March 31, 2025, March 31, 2024 have been computed based on the monthly interest cost divided by the average monthly balances of outstanding borrowings. The Average cost of borrowings include the following :

a) Upfront processing fees paid by the Company for availing loans.

b) Interest loss on fixed deposits placed as collateral, being difference between rate of interest on fixed deposit and the interest rate on the borrowings.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025
(All amounts in ₹ lakhs unless otherwise stated)

47.2 Undisclosed income

There are no transactions not recorded in the books of accounts.

48 Corporate Social Responsibility (CSR)

For the year ended March, 2025

During the year, the Company incurred an aggregate amount of ₹ 554.98 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As on March 31, 2025	
	Projects related to FY 2024-25	Projects related to FY 2021-22
(a) Gross amount required to be spent by the company during the period as per Sec 135 of Companies Act, 2013	635.74	21.73
(b) Excess Amount spent in previous year	-	-
(c) Gross amount required to be spent by the company during the period after adjustment, if any (a)-(b)	635.74	21.73
(d) Amount spent during the period ended on March 31, 2025:	533.24	21.73
i) Construction / acquisition of any asset	488.14	21.73
ii) On purposes other than (i) above	45.10	-
(e) Unspent Amount as on March 31, 2025 (c)-(d)	102.50	-
(f) Excess Amount spent as on March 31, 2025	-	-
(g) Surplus generated for CSR fund during previous year	-	-
(h) Amount Transferred to CSR Unspent account as per Companies Act, 2013	102.50	-
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2025	102.50	-
(j) Reason for shortfall	Fund is allocated for ongoing projects	NA
(k) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.		
i) Trust Name	Manappuram Foundation	Manappuram Foundation
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promoting Health care including preventive healthcare d) Promotion of Health care and Women empowerment	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group. c) Promotion of Health care and Women empowerment d) Eradicating hunger, poverty and malnutrition e) Promotion of Healthcare/ preventive healthcare

For the year ended March, 2024

During the year, the Company incurred an aggregate amount of ₹ 395.95 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As at March 31, 2024		
	Projects related to FY 2023-24	Projects related to FY 2022-23	Projects related to FY 2021-22
(a) Gross amount required to be spent by the company during the period as per Sec 135 of Companies Act, 2013	241.63	40.57	135.48
(b) Excess Amount spent in previous year	-	-	-
(c) Gross amount required to be spent by the company during the period after adjustment, if any (a)-(b)	241.63	40.57	135.48
(d) Amount spent during the period ended on March 31, 2024:	241.63	40.57	113.75
i) Construction / acquisition of any asset	130.93	40.57	113.75
ii) On purposes other than (i) above	110.70	-	-
(e) Unspent Amount as on March 31, 2024 (c)-(d)	-	-	21.73
(f) Excess Amount spent as on March 31, 2024	-	-	-
(g) Surplus generated for CSR fund during previous year	NA	NA	NA
(h) Amount Transferred to CSR Unspent account as per Companies Act, 2013	NA	NA	NA
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2024	NA	-	21.73
(j) Reason for shortfall	NA	NA	Fund is allocated for ongoing projects
(h) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.			

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2024		
	Projects related to FY 2023-24	Projects related to FY 2022-23	Projects related to FY 2021-22
i) Trust Name	Manappuram Foundation	Manappuram Foundation	Manappuram Foundation
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promoting education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/ preventive healthcare d) Promotion of Health care and Women empowerment	a) Promoting education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promotion of Healthcare/ preventive healthcare d) Eradicating hunger, poverty and malnutrition e) Promotion of Health care and Women empowerment f) Facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; g) Disaster management, including relief, rehabilitation and reconstruction activities i) Preventive Healthcare and Sanitation	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group. c) Promotion of Health care and Women empowerment d) Eradicating hunger, poverty and malnutrition e) Promotion of Healthcare/ preventive healthcare

49 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the years ended March 31, 2025, March 31, 2024.

50 Statutory Reserve

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at a rate of 20% of the net profit after tax of the Company every year. Considering the Loss after tax for the period ended March 31, 2025, no amount (the year ended March 31, 2024, ₹ 9,166.07 Lakhs) is transferred to the statutory reserve as required under Section 45-IC of Reserve Bank of India (RBI) Act, 1934.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

51 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Notional expressed in INR	Maturity date	Changes in fair value of hedging instrument Assets	Changes in fair value of hedging instrument Liability	Line item in Balance Sheet
Cash flow hedge					
Foreign exchange forward contracts (Cross currency interest rate swaps) (USD)					
For the year ended March 31 2025	7,702.33		1,118.24	-	Derivative financial instruments
For the year ended March 31 2024	10,004.88		1,356.72	-	Derivative financial instruments
Foreign exchange forward contracts (Cross currency interest rate swaps) (EURO)					
For the year ended March 31 2025	-		-	-	Derivative financial instruments
For the year ended March 31 2024	-		-	-	Derivative financial instruments

b) Disclosure of effects of hedge accounting on financial performance

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange forward contracts (Cross currency interest rate swaps)				
For the year ended March 31 2025	(238.48)	-	(79.54)	Finance Cost
For the year ended March 31 2024	(1,273.08)	-	(861.57)	Finance Cost

Hedged Item

ECB Loans	As at March 31, 2025	As at March 31, 2024
Change in the value of hedged item used as the basis for recognising hedge in effectiveness	(1,033.33)	(1,112.87)
Cash flow hedge reserve as at*	84.91	243.85
Hedging gains or losses recognised in other comprehensive income	(158.94)	(411.51)

The hedge ineffective portion is accounted for as Finance Cost under the profit and loss account

** Figures are gross of tax*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025
(All amounts in ₹ lakhs unless otherwise stated)

52 Employee Stock Option Scheme (ESOS), 2019

(a) The details of the Employee Stock Option Scheme 2019 are as under:

Date of share holders' approval	02-Feb-19
Number of options approved	8,30,000
Date of grant	July 01, 2019
Number of options granted	8,30,000
Method of settlement	Equity
Graded Vesting	30% after two years from the date of grant i.e. July 01, 2021 and 35% after three years from the date of grant i.e July 01, 2022 and the balance 35% after four year from the date of grant i.e. July 01, 2023
Exercisable period	1 year from graded vesting date
Vesting conditions	Continuous employment /service as on relevant date of vesting and pre-determined performance parameters, if any

The Company has adopted the Employee Stock Option Scheme framed in accordance with the Section 62(1)(c) of the Companies Act 2013 read with Rules 12 of the Companies (Share Capital and Debenture) Rules, 2014 made thereunder.

The Company has granted 830,000 options at an exercise price of ₹ 364/- on July 01,2019 which will vest over a period of four years from the grant date (30% after two years from the date of grant i.e. July 01, 2021 and 35% after three years from the date of grant i.e July 01,2022 and the balance 35% after four years from the date of grant i.e. July 01, 2023. The exercise period commences from the date of vesting and will expire not later than one year from the date of vesting.

(b) The summary of the movements in options is given below:

	As at March 31, 2025	As at March 31, 2024
Options outstanding, beginning of year	17,500	64,750
Options granted during the year	-	-
Increase on account of Bonus issue	-	-
Lapsed Options restored during the year	-	-
Options lapsed during the year period ended	-	18,375
Options lapsed during the year due to end of exercise period for tranche	17,500	28,875
Options Expired during the year	-	-
Options Exercised during the year	-	-
Options vested and Outstanding at the end of the year	**-**	**17,500**
Options outstanding at the year end comprise of :		
- Options eligible for exercise at the end of the year	-	17,500
- Options not eligible for exercise at the end of the year		
	-	**17,500**

In accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the compensation cost for ESOS 2019 was required to be recognised based on the fair value on the date of grant i.e. in FY 2019-20. The Company has rectified the prior period error by giving retrospective effect of ESOP expenses and tax impact in the opening reserves of FY 2022-23, thereby providing reliable and more relevant information about the Company's financial position. The imapct of such change is as follows:

Financial line item	increase / (decrease) As at and for the year ended March 31, 2022
ESOP expense	143.96
Deferred Tax	36.24
Earnings per share (in ₹) (Face value of ₹ 10 per equity share)	
- Basic	(0.07)
- Diluted	(0.07)

Expenses recognised in the Profit and loss accounts for the year ended March 31, 2025, is ₹ 0 in Lakhs (for the year ended March 31, 2024 ₹ (0.64) in Lakhs)

Tax impact for year March 31, 2025 is ₹ 0 in Lakhs (for the year ended March 31, 2024 ₹ (0.16) in Lakhs)

(d) The fair value of options estimated at the date of grant using the Black-Scholes method and the assumptions used are as under

Grant Date	01/Jul/2019
Option Price Model	Black Scholes Method
Exercise Price	364
Share Price on Grant Date	239.37
Expected Volatility	0.5
Expected time to exercise shares	1 Year after Vesting i.e. last possible exercise date
Risk-free rate of return	6.61% - 7.00%
Dividend Yield	0
Fair Value of ESOP at Grant Date	63.24 - 96.7
Weighted Average Fair Value of ESOP at Grant Date	81.1845
Method used to determine expected volatility	The expected volatility is based on price volatility of similar NBFC Listed company.

53 Trade Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Receivables considered good - Secured		
(b) Receivables considered good - Unsecured;	106.22	78.83
(c) Receivables which have significant increase in Credit Risk		
(d) Receivables - credit impaired		
Gross	106.22	78.83
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net	**106.22**	**78.83**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Trade receivables ageing

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	7.63	23.62	-	74.96	-	106.22
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	78.81	0.02	-	-	-	78.83
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on trade receivables.

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

54 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	56.86	113.12
Total	**56.86**	**113.12**

Ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	56.86	-	-	-	56.86
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	87.70	25.34	0.08		113.12
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-

55 Capital-Work-in-Progress (CWIP) and Intangible assets under development ageing as on March 31, 2025

A

Particulars	Out standing for the followinng periods from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital-Work-in Progress (CWIP)	-	-	-	-	-
Intangible assets under development	-	-	-	-	-

B For Capital work in progress and Intangible assets under development, there is no transaction whose completion is overdue or has exceeded its cost compared to its original plan.

56 Details of Benami Property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2025 and March 31, 2024.

57 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2025 and March 31, 2024.

58 Relationship with Struck off Companies

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2025, March 31, 2024 are given below:

Name of the struck off company	Balance outstanding as at	
	March 31, 2025	March 31, 2024
Receivables (Loans outstanding)	-	-
Payables (Borrowings outstanding)	-	-
Payables (Trade Creditors)	-	-
Shares held by struck off company	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

	For the year ended	
	March 31, 2025	March 31, 2024
Value transactions conducted with the above Trade Creditor, being the company whose name has been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.	-	-

In the financial year ended March 31, 2025 and financial year ended March 31, 2024 the Company has not conducted any transaction with Struck off companies.

59 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2025.

60 Compliance with number of layers of companies

Not Applicable

61 Utilisation of Borrowed funds and share premium

During the year ended March 31, 2025, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend 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;

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend 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;

62 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2025 and March 31, 2024.

63 Details of stressed loans transferred and investment made in Security Receipts to ARCs:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) No of Accounts	88,172.00	1,24,545.00
(ii) Aggregate principal outstanding of loans transferred	20,003.57	29,525.87
iii) Weighted average residual tenure of the loans transferred (Months)	11.80	9.49
iv) Net book value of loans transferred (At the time of transfer)	10,761.84	16,360.48
v) Aggregate consideration	8,500.00	14,645.00
vi) Additional consideration realised in respect of accounts transferred in earlier years	-	-
vii) Investment in Security Reciepts (SR)	7,390.00	12,669.05

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

64 Pursuant to the requirements of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors, during the year, the Company has carried out restatement of the comparative financial information and the impact of such restatement on the financial statement for the year ended March 31, 2023, and reporting periods beginning April 01, 2022 is as follows:

Financial line item	Increase / (Decrease)			
	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023	As at April 01, 2022
Employee benefit expenses	-	0.64	(21.02)	NA
Tax Expense	-	(0.16)	(508.79)	NA
Profit After Tax	-	(0.48)	(529.82)	NA
Other comprehensive income	-	180.92	(175.70)	NA
Total comprehensive Income / (Loss)		**180.44**	**(1,235.34)**	**NA**
Assets				
Investments	-	(241.77)	(659.14)*	(277.10)
Derivative financial instruments	-	-	(142.67)	(142.67)
Deferred tax assets (net)	-	51.64	666.97	116.55
Other Equity	-	190.13	12.45	(303.22)
Earnings per equity share (Face Value of ₹ 10/- per share)				
- Basic (₹)	-	-	(0.30)**	NA
- Diluted (₹)	-	-	(0.30)**	NA

**Includes accrued interest on G-Sec amounting to ₹ 147.25 lakhs which was reclassified to Other financial assets*

***The Restated earnings per share (EPS) has been calculated after considering the impact of bonus shares (2:1) issued by the Company during the current financial year.*

65 Disclosure as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025):

65.1 Exposure to Real Estate Sector

Particulars	As at March 31, 2025	As at March 31, 2024
Category		
Direct exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	3,654.32	3,572.78
(ii) Commercial Real Estate -		
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 shall also include non-fund based limits	5.11	12.72
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	**3,659.43**	**3,585.50**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

65.2 Exposure to capital market

The Company does not have any exposure to Capital market as at March 31, 2025 and March 31, 2024.

65.3 Customer complaints

Particulars	As at March 31, 2025	As at March 31, 2024
Complaints received by the NBFC from its customers		
1. No. of complaints pending as at beginning of the year	86	123
2. No. of complaints received during the year	22,492	16,830
3. No. of complaints disposed during the year	21,410	16,867
Of which, number of complaints rejected by the NBFC	543	275
4. No. of complaints pending as at end of the year	1,168	86
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	89	45
Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	85	45
Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NIL	NIL
Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	4	NIL
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

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 previous, number of complaints pending beyond 30 days
For the year ended March 31, 2025					
Insurance related	34	1,944	-10.37%	64	26
Collection related	26	11,806	79.50%	838	441
Loan Related	12	2,012	289.92%	20	9
Service Related	1	777	NA	-	-
CIBIL related	12	4,395	-1.06%	222	45
Others	1	1,558	-38.54%	24	3
Total	**86**	**22,492**		**1,168**	**524**
For the year ended March 31, 2024					
Insurance Related	69	2,169	26.25%	34	19
Collection Related	38	6,577	589.41%	26	9
Loan Related	5	516	12.17%	12	2
Staff Related	-	591	174.88%	1	-
CIBIL related	-	4,442	NA	12	-
Others	11	2,535	1316.20%	1	-
Total	**123**	**16,830**		**86**	**30**

**There were some errors in the data extracted by the company during the annual closing for the year ended March 2024, and same set of data was used by the Company for RBI reporting in the respective years. However, during the year ended as on March 31, 2025, some errors were identified by the Company, which were rectified, and the updated count is presented in the note.*

Summary of Changes is as follows :

Particulars	Annual Report	Reclassified Figure
No. of complaints pending as on March 31, 2023	123	123
No. of complaints received during the period	2,246	16830
No. of complaint disposed during the period	2,283	16867
No. of complaints pending as on March 31, 2024	204	86

65.4 Intra Group Exposures

There is no Intra group exposures for the company

65.5 Instances of breach of covenant of loan availed or debt securities issued

The Company has been regular in serving all its borrowings though there has been breach of some of the covenants, many of the borrowers across the microfinance industry were unable to service their loans on-time resulting in significantly elevated PAR, GNPA, NPA etc., The company was not immune to this industry trend and witnessed breach of some of the covenants due to elevated portfolio stress levels

Breach of Covenant	As at March 31, 2025	As at March 31, 2024
Number of Instances	53	10
Amount Involved (₹ In Lakhs)	3,19,343.34	50,127.04

65.6 Sectoral Exposure

Sectors	Year ended March 31, 2025			Year ended March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
i) Agriculture-Animal Husbandry	49,670.16	4,914.69	9.89%	64,130.69	1,919.60	2.99%
ii) Agriculture-Dairy	38,747.59	5,029.58	12.98%	62,679.70	4,580.97	7.31%
iii) Agriculture-Crops	5,14,993.19	55,237.76	10.73%	7,38,221.77	24,524.82	3.32%
iv) Agriculture - Others	9,119.13	1,087.87	11.93%	13,482.49	825.32	6.12%
Total (i+ii+iii+iv)	**6,12,530.07**	**66,269.90**	**10.82%**	**8,78,514.65**	**31,850.71**	**3.63%**
2. Industry						
i) Textile	16,894.48	2,095.81	12.41%	29,478.15	1,306.90	4.43%
ii) Others	16,621.78	3,543.45	21.32%	28,181.30	2,207.32	7.83%
Total (i+ii)	**33,516.26**	**5,639.26**	**16.83%**	**57,659.45**	**3,514.22**	**6.09%**
3. Services						
i) Trade	42,676.14	6,559.42	15.37%	73,225.19	5,827.92	7.96%
ii) Others	22,535.56	3,744.05	16.61%	47,016.69	3,816.27	8.12%
Total (i+ii)	**65,211.71**	**10,303.48**	**15.80%**	**1,20,241.88**	**9,644.19**	**8.02%**
4. Personal Loans						
i) Loan Against Gold Jewellery	92,838.44	1,454.29	1.57%	88,967.95	1,529.38	1.72%
ii) Product Loan	11,962.33	5,203.41	43.50%	36,400.34	5,953.94	16.36%
iii) Others	2,820.61	384.24	13.62%	6,269.56	303.73	4.84%
Total (i+ii+iii)	**1,07,621.38**	**7,041.94**	**6.54%**	**1,31,637.85**	**7,787.05**	**5.92%**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ lakhs unless otherwise stated)

65.7 Loans and contracts awarded to Directors, Senior Officers and relatives of Directors -Disclosure as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025):

	As at March 31, 2025	As at March 31, 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

65.8 Divergence in asset classification and provisioning -

As per the requirement of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025) - There is no diversion in Asset classification and provisioning

66 On October 17 2024, the Reserve Bank of India (RBI) directed the company to cease and desist from sanction or disbursal of loans from October 21 2024. However, the company was permitted to continue servicing its existing customers and carry out collection and recovery processes in accordance with the extent regulatory guidelines. These business restrictions were lifted by RBI vide their order dated January 08, 2025.

67 Details of Auctions Held During the Year 2024-25

Additional disclosures as required by RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dt. October 19, 2023 (Updated as on February 27, 2025)

Year	Number of Loan Accounts	Principal Amount outstanding at the dates of auctions (A) (₹ in Lakhs)	Interest Amount outstanding at the dates of auctions (B) (₹ in Lakhs)	Total (A+B) (₹ in Lakhs)	Value fetched (₹ in Lakhs)
March 31, 2025	2076	1,171.70	633.41	1,805.11	1,604.60
March 31, 2024	2661	1,632.02	573.09	2,205.11	1,609.92

Note: No sister concerns participated in the auctions held during the financial year ended on March 31, 2025 and March 31, 2024

68 Previous year figures

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

For A.JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S
K.V.Sivakumar
Partner
ICAI Membership Number: 027437

Date: May 06, 2025
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

B N Raveendra Babu
Managing Director
(DIN No.00043622)

Rajesh KRN Namboodiripad
Chief Financial Officer
Date: May 06, 2025
Place: Valapad

Aparna Menon
Company Secretary

ASIRVAD MICRO FINANCE LIMITED

Subsidiary of MANAPPURAM FINANCE LTD.

Small Loans... Big Dreams..

Concept & Design (info@wyatt.co.in)

ASIRVAD MICRO FINANCE LIMITED

Subsidiary of MANAPPURAM FINANCE LTD.

Small Loans... Big Dreams..



FROM Consolidation TO Growth.

19th Annual Report
2025-26

About the Report

What's inside

Corporate overview **01-35**

FY26 Highlights	01
From Consolidation to Growth	02
Asirvad at a Glance	04
Milestones	06
Geographical Presence	08
Lives Impacted	12
Chairman's Message	14
CEO's Message	16
Key Performance Indicators	18
Digital Innovation	20
Cybersecurity & Information Security	22
Environment, Social and Governance	24
Corporate Social Responsibility	26
Employee Empowerment	28
Board of Directors	32
Leadership Team	34
Corporate Information	36

Statutory Reports **38-73**

Management Discussion Analysis	38
Board's Report	51

Financial Statements **76-167**

Financial Statements	76

Scan this QR Code to access the Company's Annual Report



FY26 Highlights

Financial

₹ 2,882 Crores
Total Disbursements for FY26

₹ 6,827 Crores
Assets Under Management (-16.82 YoY)

-₹ 579.06 Crores
Profit After Tax (-9.34% YoY)

₹ 1,508.53 Crores
Total Revenue (-44.83% YoY)

₹ 609.22 Crores
Interest Cost (-41.10% YoY)

₹ 721.95 Crores
OPEX (-6.01% YoY)

-₹ 835.78 Crores
Profit Before Tax (3.05% YoY)

20.2%
Capital Adequacy Ratio

4.8% / 1.6%
Gross NPA / Net NPA

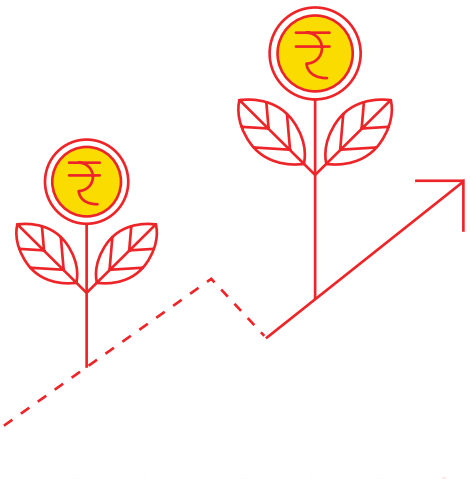
Operational

31 Lakhs
Active Borrowers

1765
Branch Network

~32%
Gold Loan Share of Overall Portfolio

92.12%
Overall Collection Efficiency across the combined book (excluding write-offs and ARC)



From Consolidation to Growth

Some years call upon an institution to move faster. Others ask it to grow wiser.

Progress is not always measured by how much ground is covered, but by how firmly every step is placed. Before pursuing new horizons, the foundation beneath them must be strengthened. It is in these defining periods of discipline, resilience and deliberate choices that enduring institutions are built.

The year gone by was one such chapter for Asirvad. At a time when the microfinance sector continued to navigate change, we remained focused on strengthening the fundamentals of our business. Every decision reflected a conscious commitment to reinforce the institution from within, improving asset quality, sharpening credit discipline, strengthening governance, diversifying our portfolio and investing in the people, systems and technology that will support our future. These were not isolated initiatives, but deliberate steps towards building a stronger and more resilient organisation.

The results are evident not only in our performance, but also in the quality and strength of the platform we have built for the years ahead. A healthier portfolio, stronger operational discipline, a growing gold loan franchise, enhanced digital capabilities and a renewed focus on governance have positioned us with greater confidence to embrace the next phase of our journey.

As we move from consolidation to growth, our focus is on building momentum with the same discipline that strengthened us. Growth, however, is not simply about expanding faster; It is about expanding responsibly, preserving the trust we have earned and creating enduring value for our customers, employees and stakeholders. With stronger foundations beneath us and a clearer direction ahead, we are well positioned to unlock new opportunities and write the next chapter of our journey- one defined by sustainable growth, responsible leadership and long-term value creation.



Progress is not always measured by how much ground is covered, but by how firmly every step is placed.

Asirvad at a Glance

Advancing Financial Inclusion with Confidence

Founded by Mr. S.V. Raja Vaidyanathan in Chennai in 2007, Asirvad Micro Finance Limited was established with a singular purpose, to expand financial inclusion by providing responsible and accessible credit to underserved communities, particularly women entrepreneurs. While microfinance remains at the heart of our business, we have steadily evolved into a stronger and more diversified financial institution, building a resilient franchise committed to creating sustainable long-term value.

Against the backdrop of a challenging operating environment for the microfinance sector, our priority was to strengthen the foundations of the business. We enhanced the quality of our portfolio, reinforced our governance and risk management frameworks, and sharpened our operating model to emerge as a stronger organisation. At the same time, the growing contribution of our gold loan business, strengthened institutional backing following Bain Capital's investment in our holding company, Manappuram Finance Limited, and our continued investments in people, technology, governance and digital capabilities have created a strong platform for the future. Having consolidated our strengths, we are well positioned to enter our next phase of growth with confidence, discipline and a long-term perspective.

Vision

To empower the members at the bottom of the pyramid by providing financial assistance

Mission

To organise groups of committed poor women and provide innovative financial services in a sustainable manner to alleviate poverty through viable income generation activities

Values

- **A** — Acceptance
- **S** — Support
- **I** — Integrity
- **R** — Resilience
- **V** — Viable
- **A** — Adaptable
- **D** — Dependable



Our Competitive Edge

- Trusted legacy backed by strong institutional support diversified business model driving balanced growth
- Customer- centric approach rooted in financial inclusion
- Strengthened asset quality and prudent risk management
- Technology-driven operational excellence Scalable operating platform, robust governance and risk management framework
- Experienced leadership focused on sustainable value creation

Key Numbers

54	19	13,300	16.4 Lakhs	1,765
Lending Partners	Years of Operations	Total Employees	Active MFI Borrowers	Branches across 22 States and 4 Union Territories

Credit Ratings

- CRISIL AA-/Stable and CARE AA-/Stable- Bank Loans (Long-Term)
- CRISIL AA-/Stable and CARE AA-/Stable- Non Convertible Debentures (Long-Term)
- CRISIL AA-/Stable- Subordinated Debt (Long-Term)
- CRISIL PPMLD AA-/Stable- Principal Protected Market Linked Debentures
- CRISIL A1+- Commercial Paper
- CARE MFI 1- MFI Grading
- C1-CareEdge- COCA Report

Milestones

Building an Institution for the Long Run

2007

Incorporated as Asirvad Micro Finance Pvt. Ltd

2007

1st JLG formation in Chindadripet branch, Chennai

2007

RBI License as NBFC

2013

RBI license as NBFC-MFI

2014

Manappuram Finance Ltd acquired with 85.0 % stake

2014

1st NBFC-MFI to be rated AA-

2017

Converted as Public Ltd – Asirvad Micro Finance Ltd

2020

2.0 Million active borrowers & ₹ 50,000 Million AUM

2020

1,000 branches under flagship

2021

Asirvad diversified book with gold loan secured portfolio

2022

2.5 Million active borrowers achieved

2024

All time high AUM of ₹ 127,380 Million

2026

RBI Approval for Bain capital investment



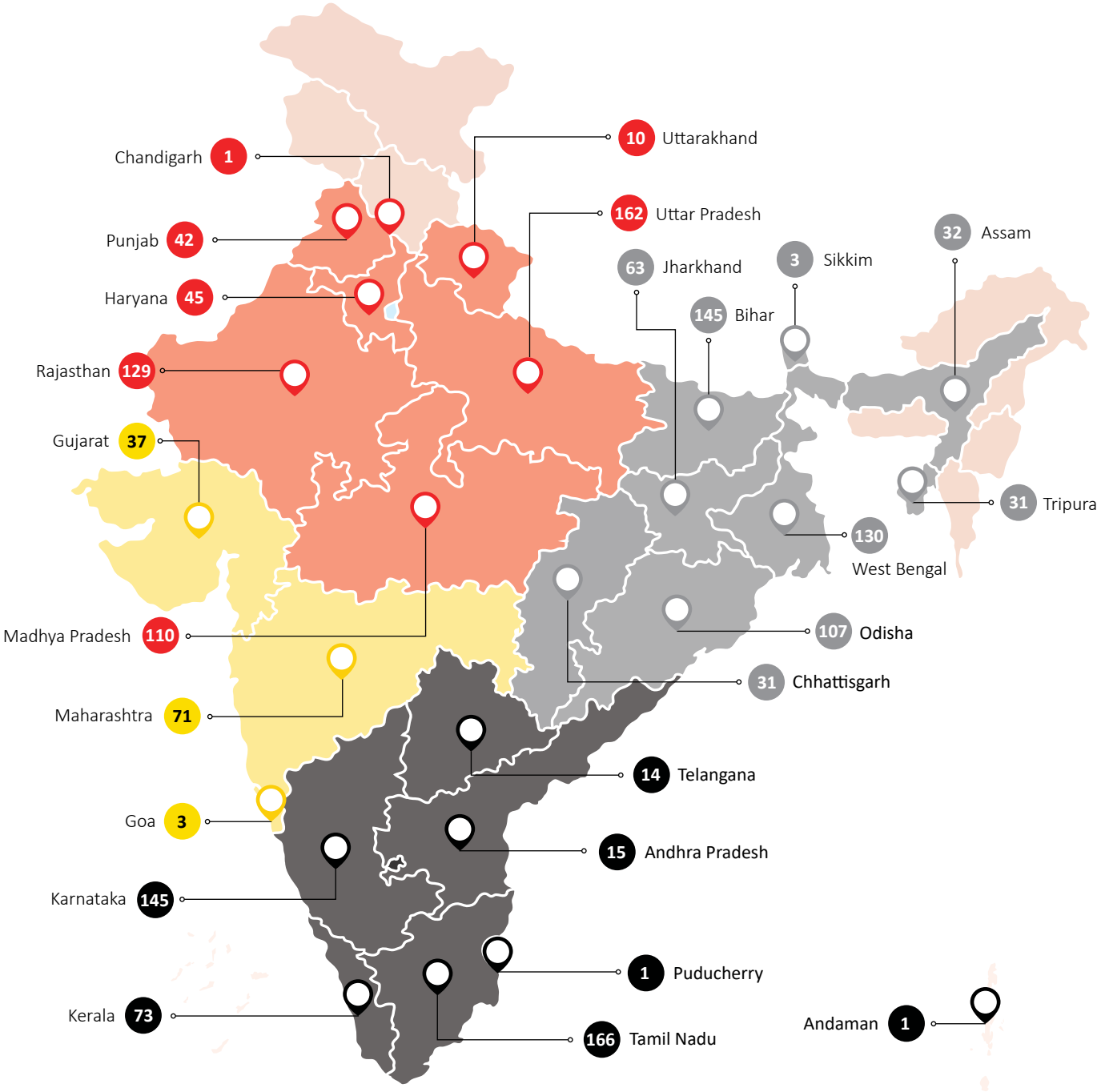
Geographical Presence

From Local Roots to National Reach

What began with two branches in Tamil Nadu has evolved into a pan-India network built on trust, proximity and enduring community relationships. Over the years, our expanding footprint has enabled us to deepen financial inclusion while maintaining a strong understanding of local markets and customer needs. During FY 2025-26, our focused was on strengthening the quality of our operations across every geography we serve, reinforcing customer confidence amid a challenging environment for the microfinance sector.

As we enter FY 2026-27, we are well positioned to build on these strengthened foundations. Our planned expansion into Tier 1 cities will complement our strong rural and semi-urban presence, extending our gold loan franchise into urban centres, broadening our customer reach and creating new avenues for sustainable growth.

Geographical Footprint – MFI Branch Network

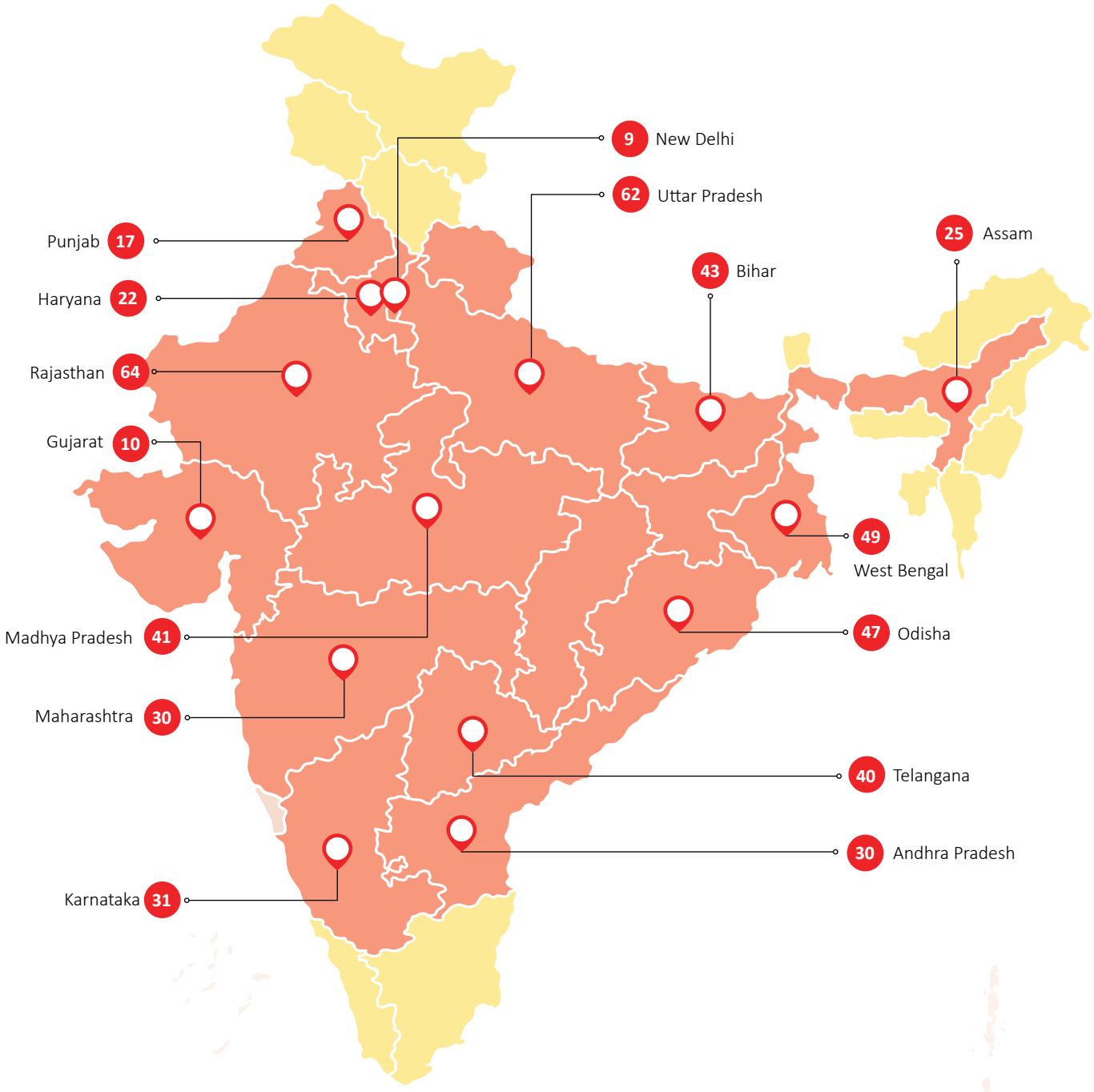


Map not to scale. For illustrative purposes only.

MFI AUM – State-wise Break-up

STATE	AUM (Crores)
West Bengal	606.6
Bihar	606.2
Uttar Pradesh	451.7
Tamil Nadu	430.9
Karnataka	309.4
Assam	288.3
Madhya Pradesh	265.5
Jharkhand	234.5
Odisha	225.8
Rajasthan	225.5
Other States	991.2
TOTAL	4635.5

Gold Loan Branch Network



Branch: **States / UT with Operations** | **States / UT not yet Penetrated**

Map not to scale. For illustrative purposes only.

ASIRVAD GL AUM – State-Wise Aum Break-up

STATE	AUM (Crores)
Andhra Pradesh	108.30
Assam	172.07
Bihar	234.96
Gujarat	21.48
Haryana	61.31
Karnataka	145.74
Madhya Pradesh	159.82
Maharashtra	102.48
New Delhi	20.28
Odisha	266.70
Punjab	2.99
Rajasthan	179.93
Telangana	156.76
Uttar Pradesh	226.03
West Bengal	275.04
TOTAL	2173.90

Lives Impacted



From Small Beginnings to Lasting Growth

My journey with Asirvad Micro Finance Limited began with a small loan. As my confidence and business grew, I became eligible for a larger loan, which helped me open a small shop. The income from the shop enabled me to start a beauty parlour, creating an additional source of livelihood for my family.

What started as a single small business has now grown into multiple income-generating activities.

I encourage every woman who dreams of becoming financially independent to take the first step. With the right support and determination, a small loan can help turn dreams into reality. By using the loan productively and repaying it responsibly, it is possible to grow from one business to another and build a better future.

I am grateful to Asirvad Micro Finance Limited for believing in women entrepreneurs and providing the financial support that helped transform my aspirations into a sustainable livelihood.

- Lakpathi

Turning an Opportunity into a Successful Enterprise

I learned about a notebook-making machine and was eager to start my own business. After completing the training, the biggest challenge was arranging the funds to purchase the machine. I explored several options, but none of them worked.

One day, I came across an advertisement about Asirvad Micro Finance Limited in a newspaper. I approached the branch, and the loan process was quick and simple. With timely financial support, I was able to purchase the machine and start my business.

Today, I have built a successful notebook manufacturing enterprise. My notebooks are in good demand, sales have grown steadily, and the business is generating healthy profits. This journey has given me financial independence and the confidence to dream bigger.

- Arti Gupta





Creating Employment Through Entrepreneurship

I received a loan of ₹ 40,000 from Asirvad Micro Finance Limited, which helped me purchase a machine and start my own business. Before this, there were very few employment opportunities in our village, and earning a stable income was a challenge.

With the support of the loan, I was able to establish a livelihood that now generates a monthly income of approximately ₹ 15,000 to ₹ 20,000. This has improved my family's financial stability and given me the confidence to become self-reliant.

I am grateful to Asirvad Micro Finance Limited for providing timely financial assistance and enabling me to create a sustainable source of income through entrepreneurship.

- Suman Meena



Flexible Repayments That Support Growth

Running a small business means that income is not always received on a weekly basis. A monthly repayment schedule gives entrepreneurs enough time to earn, manage expenses, and arrange funds without disrupting their business operations.

The monthly EMI facility offered by Asirvad Micro Finance Limited has made loan repayment convenient and stress-free. It allows me to repay my loan comfortably while continuing to focus on growing my business and meeting my family's needs.

This customer-friendly approach has enabled me to manage my finances with confidence and continue my entrepreneurial journey without financial pressure.

- Suman Devi and Team

Chairman's Message

Moving Ahead with Renewed Confidence



Dear Stakeholders,

FY2025-26 was undoubtedly one of the most defining years in Asirvad Micro Finance Limited's recent journey. The microfinance sector faced unprecedented stress during the year, driven by rising borrower indebtedness in certain markets, elevated portfolio risk across the industry and a challenging collections environment. Asirvad was not insulated from these realities. The year demanded difficult decisions, and our financial performance reflects the prudent provisioning we undertook to address legacy portfolio stress with honesty and rigour. What I want to share with equal clarity, however, is why I believe the worst is behind us, and why the foundation we have built in FY26 positions Asirvad for a meaningful and sustainable recovery.

A Sector Under Stress, and How We Responded

The microfinance sector entered FY26 carrying the accumulated vulnerabilities of the preceding period: unsustainable borrower indebtedness in several geographies, weakening repayment discipline, and rising delinquencies across lenders. Asirvad was not immune to these pressures. Our response, however, was deliberate and unequivocal.

Rather than pursuing disbursement volumes to mask portfolio deterioration, we chose the harder path: we tightened underwriting standards to align fully with MFIN guardrails and RBI guidance, calibrated disbursements against demonstrable improvements in collections, and invested heavily in strengthening our field collections infrastructure across our network of 1,567 branches.

This posture inevitably compressed our AUM in the near term. Our MFI AUM for FY26 stood at ₹ 4,636 Crores, against ₹ 7,207 Crores in the prior year. This contraction was not a failure of strategy, it was the consequence of a deliberate choice to prioritise portfolio quality over volume, and to preserve the institutional integrity on which Asirvad's long-term franchise rests. We believe it was the right choice, and the data emerging from our new book validates that conviction.

Building a Better Portfolio

Perhaps the strongest indication of our progress is the quality of the portfolio we are now building. Disbursements were made under tightened underwriting norms with MFIN-compliant guardrails, and the performance of this new book has been exceptional. As of March 2026, zero-bucket collection efficiency on the new book stood at 99.8%, with total collection efficiency at 99.4%. Overall collection efficiency across the combined book (excluding write-offs and ARC) reached 92.1% in March 2026, reflecting consistent month-on-month improvement through the year.

Equally encouraging has been the trend in our PAR 30+ ratio. Excluding write-offs and ARC, our 30-plus delinquency declined sharply from 15.6% to 4.34% by March 2026, a substantial improvement that reflects both the seasoning of the new book and the disciplined work of our collections teams across the country. As the legacy portfolio gradually moderates, the quality of our overall book is expected to increasingly reflect the strength of these newer disbursements.

Recovery Gathering Momentum

Against a backdrop of sectoral caution, Asirvad disbursed ₹ 2,881.6 Crores in total MFI loans during FY26, across 5,18,449 customers. Although this represented 78% of our annual budget, a reflection of the deliberately cautious posture we adopted through the first three quarters, the momentum strengthened meaningfully through the second half of the year. Q4 FY26 alone saw disbursements of ₹ 1,086.5 Crores, surpassing our quarterly plan of ₹ 900 Crores by 20.7%. March 2026 was our strongest disbursement month of the year, and the momentum has continued into the new financial year.

Of the customers we disbursed to in FY26, 67.2% were repeat borrowers, a testament to the loyalty and credit discipline of our core customer base.

We added 1,70,238 new clients during the year, even as we maintained stringent credit eligibility standards. Our average ticket size remained conservative at ₹ 0.56 Lakhs, well below the NBFC-MFI industry average and reflective of our focus on underbanked, small-ticket borrowers who represent the original purpose of Asirvad's mission.

A Defining Fourth Quarter

The most compelling evidence of Asirvad's recovery lies in the fourth quarter. After three consecutive quarters of losses, Q4 FY26 delivered a return to profitability, with PAT of ₹ 13 Crores against a loss of ₹ 156 Crores in Q3 FY26. Disbursements recovered strongly to ₹ 1,086.5 Crores. Our GNPA stood at 4.85% with net NPA at 1.60%, and the proportion of Stage I assets improved to 94.21% of our on-book portfolio. These are not isolated data points — they reflect the cumulative effect of the strategic actions we initiated over the preceding three quarters, and we expect sequential improvement to continue into FY27.

Our Gold Loan Business: A Growing Pillar of Strength

One dimension of Asirvad's business that deserves particular recognition is our gold loan portfolio, which has grown substantially and demonstrated exceptional performance throughout the year. As of March 2026, gold loan AUM stood at ₹ 2,174 Crores, representing 134% year-on-year growth and surpassing our FY26 target of ₹ 1,506 Crores by 44%. Our 520 gold loan branches now serve 1.91 Lakhs active customers, with net gold holdings of 2.66 tonnes. The gold book has been virtually delinquency-free, serving as both an earnings stabiliser and a meaningful cross-sell opportunity within our existing customer relationships.

Capital Strength and Credit Ratings

Even amid the challenges of FY26, Asirvad's capital position remains robust. Our Capital to Risk-weighted Assets Ratio stands at 20.2%, well above regulatory requirements, a reflection of the strong capital stewardship exercised through this period. Our credit ratings of AA–/Stable from both CRISIL and CareEdge continue to affirm lender confidence in our institutional standing, and our cost of funds remained stable at 10.2% through FY26. Access to diversified funding across term loans, refinance, debentures and securitisation remains intact, supported by the strength of the Manappuram parentage and the recognition our ratings command in the debt markets.

Looking Ahead: The Path to Sustainable Growth

As we enter FY27, Asirvad's strategic priorities are sharply defined. Our foremost objective is the completion of the legacy portfolio rundown and ensuring that the new portfolio increasingly becomes the primary driver of future growth and profitability.

With new-book collection efficiency already at 99.4% and disbursements accelerating, we are well on track. We will pursue calibrated growth in MFI disbursements, underpinned by credit quality and geographic discipline, as the broader sector environment continues to normalise.

We will continue to expand our gold loan business as a natural and highly synergistic complement to our core microfinance proposition, building on the strong foundations laid in FY26. We will deepen our digital capabilities across collections, underwriting and customer engagement. And we will leverage the strengthened leadership bench that is now in place, with experienced professionals heading our MFI and housing finance operations and a Group-level management team fully engaged in supporting Asirvad's recovery.

The long-term case for microfinance in India remains structurally compelling. Over 200 million underbanked households continue to depend on organised microfinance for livelihood credit, and the regulatory framework is evolving in ways that will reward well-governed, disciplined lenders. Asirvad intends to be among those who lead the sector's next chapter, with a portfolio built on quality, a culture built on integrity, and a business model built for the long run.

A Note of Gratitude

I wish to express my sincere gratitude to our Board of Directors for their steady counsel through an exceptionally demanding year. To our leadership team and our field staff, nearly 5,935 loan officers and support personnel across 1,567 MFI branches and 520 gold loan branches, who continued to serve our borrowers with dedication and commitment even as operational pressures mounted: your resilience is the foundation of Asirvad's recovery. To our lenders and investors, who maintained their confidence in our institution through a difficult period: we are deeply grateful and fully committed to justifying that trust. And to our 16.4 Lakhs borrowers, whose aspirations give our work its meaning: we remain devoted to serving you well.

FY26 tested Asirvad as an institution. I am confident we have emerged from it more disciplined, more purposeful, and more sharply focused on what matters.

Our recovery is well underway, and we look to the future with renewed confidence and discipline.

With commitment and confidence,

V. P. Nandakumar
Chairman
Asirvad Micro Finance Limited

CEO's Message

Turning Readiness into Results



Dear Stakeholders,

FY 2025-26 was a year of rebuilding momentum. After a prolonged period of strengthening our fundamentals and navigating sector-wide challenges, we entered the year with a clear objective: to consolidate the progress we had made and position Asirvad for sustainable growth. Looking back, I am pleased to share that we made meaningful strides towards that goal, strengthening the quality of our portfolio, diversifying our business and reinforcing the foundations that will support our future growth.

Strengthening the Foundation

The clearest evidence of consolidation sits in the quality of our book. Gross NPA closed FY26 at 4.8%, down sharply from 8.5% in the previous year, with Net NPA improving in step. Our loan book itself was deliberately smaller at year-end, ₹ 6,793 Crores against ₹ 8,189 Crores in FY25, the result of choosing quality over scale while the sector around us continued working through its own challenges. Capital adequacy remained healthy through this process, comfortably above regulatory requirements, while our credit ratings of AA- (long-term) and A1+ (short-term) continued to reflect the strength of our financial position.

These improvements were not the result of short-term measures, but of disciplined execution and a clear focus on strengthening the fundamentals of the business. By addressing underlying challenges methodically, we have created a stronger platform from which to pursue our next phase of growth.

The first three quarters of FY26 were, by design, a period of consolidation- focused on process optimisation, digital automation and strengthening our operational fundamentals. By the final quarter, that groundwork had begun to yield results, with the MFI book returning to growth and collection efficiencies improving across the portfolio. This responsible, calibrated momentum is the tone we intend to carry into FY 2026-27, with continued focus on training, HR practices, compliance and productivity, even as we pursue growth. Microfinance remains the core of this institution, and we are committed to building on that foundation while prudently exploring secured lending opportunities within the bounds of the regulatory framework.

Gold: An Early Bet, Now a Second Engine

One of the most significant outcomes of our strategic diversification efforts has been the continued success of our gold loan business. We entered this segment well before many peers in the microfinance industry recognised the need for diversification, and that early conviction is now evident in our performance. By the close of FY26, gold loans accounted for close to a third of our overall loan book.

We see this business not merely as a complementary offering to microfinance, but as a distinct growth engine capable of creating long-term value and enhancing portfolio resilience. The next phase of growth will focus on expanding our gold loan presence in metro markets, a deliberate step beyond the rural and semi-urban geographies that have traditionally defined our core lending business. This move opens access to a new customer segment while broadening the scope of our franchise.

During the year, we strengthened our reach through co-lending partnerships, with a significant portion of the portfolio comprising co-lending arrangements with Manappuram Finance. These partnerships reflect our philosophy of calibrated growth, expanding thoughtfully, leveraging proven capabilities and maintaining operational discipline as we scale. In the year ahead, we plan to add 155 new gold loan branches, primarily in Tier 1 cities, a focused and purposeful expansion that complements our metro-market ambitions.

Investing in Our People

At the heart of every business outcome is the commitment and capability of our people. FY26 was as much a year of investing in our workforce as it was in strengthening our balance sheet. We consciously shifted a meaningful part of our training efforts away from online modules and back into the field, recognising that practical exposure and direct customer engagement remain among the most effective ways to build capability and judgement.

Attrition, a long-standing challenge across the industry, was addressed through a stronger and more structured performance management framework, one that recognises consistency, accountability and contribution. The impact of these efforts is reflected in our execution. Over the past year, our collection efficiency ranked among the best in the industry, a testament to our teams' dedication and resilience within a demanding operating environment.

Governance, and the Support Behind Us

The progress we achieved during the year would not have been possible without the support of our promoter, Manappuram Finance, and our co-promoters, whose confidence in our long-term direction remains unwavering for the foreseeable future.

The year also witnessed important developments on the governance and strategic front. As part of the Company's ongoing commitment to strengthening corporate governance and enhancing Board oversight, the composition of the Board was appropriately aligned to support the Company's evolving business priorities and future growth ambitions. These changes have further strengthened the depth of expertise, independence and governance capabilities of the Board and are discussed in detail in the Board's Report forming part of this Annual Report.

Another significant milestone during the year was the completion of the strategic investment by Bain Capital in Manappuram Finance Limited, the Holding Company of the Company.

Following the receipt of the requisite regulatory approvals from the Reserve Bank of India and other applicable authorities, Bain Capital became a joint promoter of Manappuram Finance Limited. This development marks an important chapter in the growth journey of the Manappuram Group and is expected to further strengthen the Group's governance framework, capital position, strategic capabilities and long-term growth prospects.

The induction of a globally reputed investor with extensive experience in financial services brings additional institutional strength, strategic insights and governance best practices to the Group. Combined with the recent capital infusion and strengthened governance framework, these developments provide a strong platform for Asirvad Micro Finance Limited as it enters FY 2026-27 with renewed confidence, enhanced financial strength and a clear focus on sustainable and responsible growth.

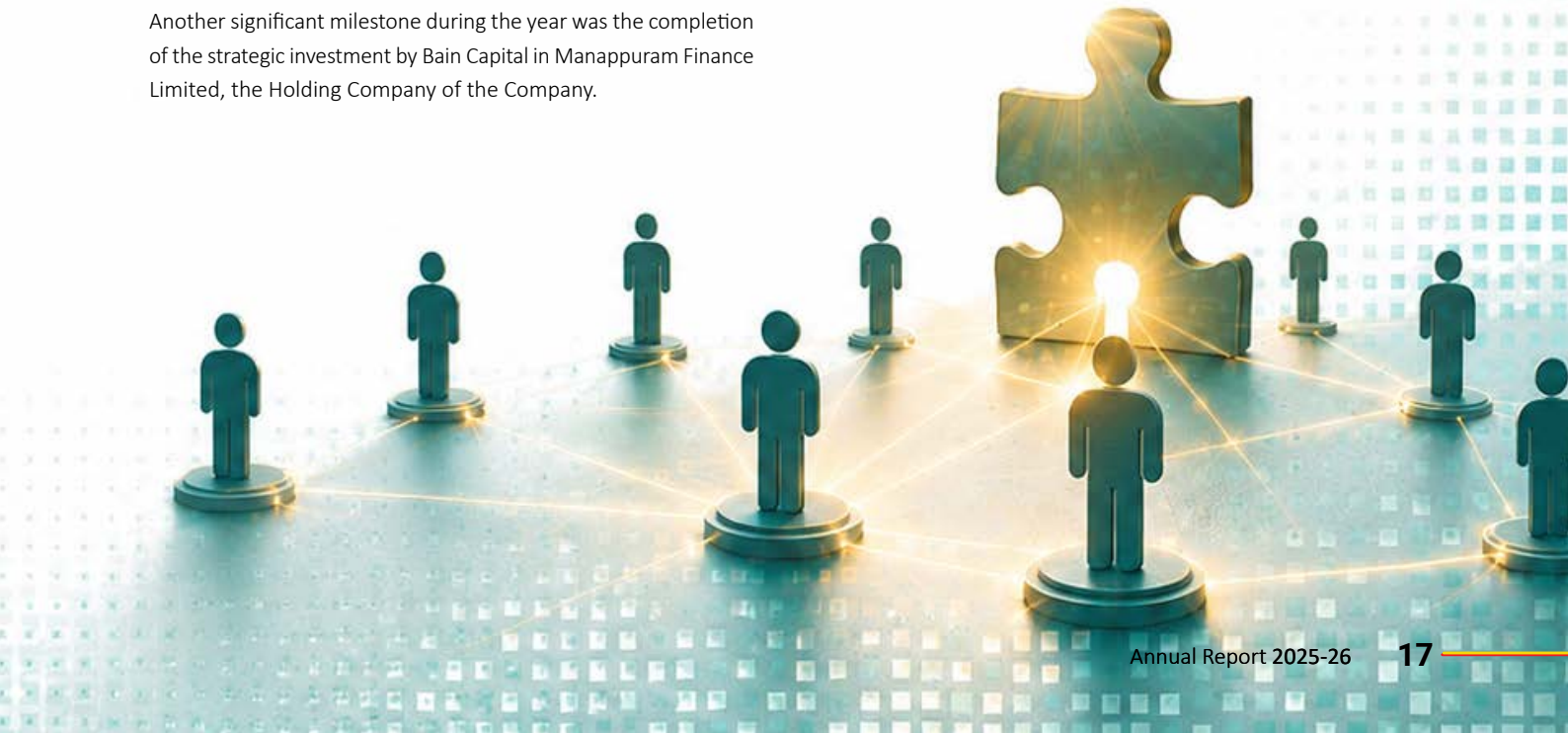
Looking Ahead

FY 2025-26 marked an important milestone in our journey. It was a year in which we strengthened our foundations, restored momentum and positioned the organisation for sustainable growth. The progress we have made reflects the resilience of our institution, the commitment of our people and the trust of our stakeholders.

As we enter FY 2026-27, we do so with confidence, clarity of purpose and a strong foundation for future growth. While opportunities lie ahead, our focus remains unchanged: serving our customers responsibly, creating long-term stakeholder value and building a stronger institution for the years to come.

With warm regards,

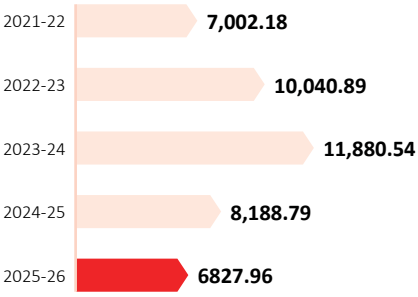
Manoj Gerard David Pasangha
Chief Executive Officer



Key Performance Indicators

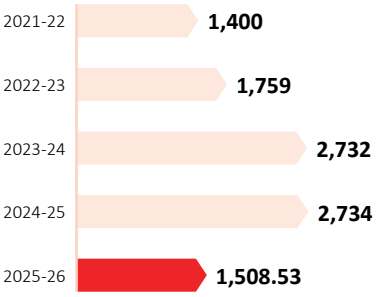
Measuring Every Step Forward Towards Sustainable Growth.

AUM (₹ Crores)



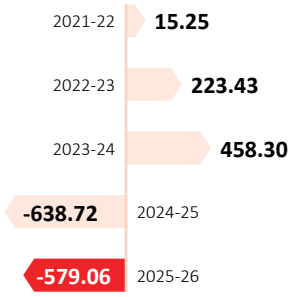
Growth: 5-year CAGR-0.50% Y-o-Y -16.62%

Total Revenue (₹ Crores)



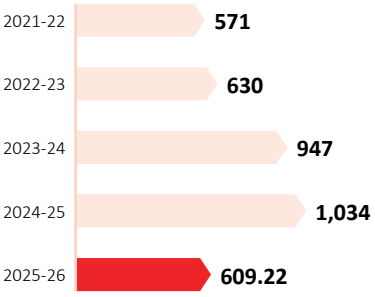
Growth: 5-year CAGR 1.55% Y-o-Y -44.83%

PAT (₹ Crores)



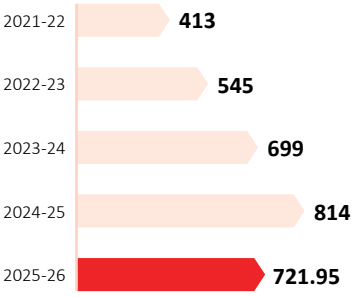
Growth: Y-o-Y -9.34%

Interest Cost (₹ Crores)



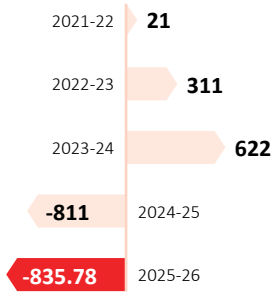
Growth: Y-o-Y -41.10%

OPEX (₹ Crores)



Growth: Y-o-Y -6.01%

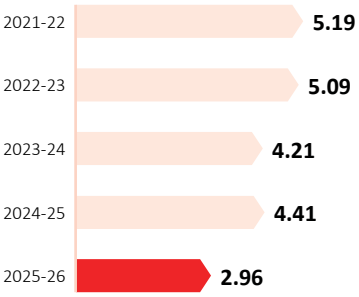
Profit Before Tax (₹ Crores)



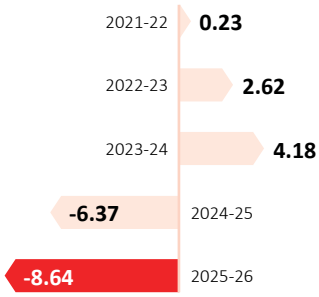
Growth: Y-o-Y 3.05%

Key Ratios

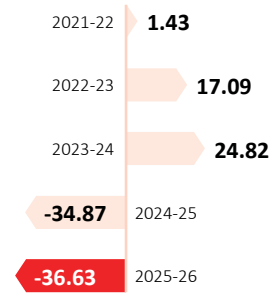
Debt equity ratio



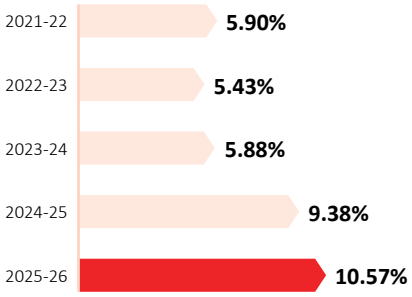
Return on Assets



Return on Equity

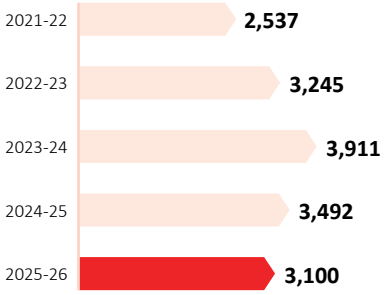


OPEX/ AUM

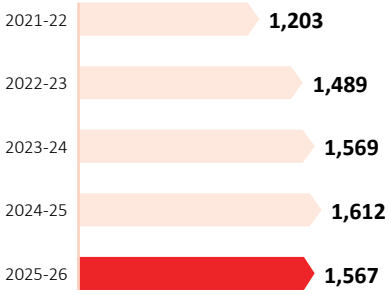


Operational Performance

Active Borrowers ('000)



Branch Network (Actual No.)



Key initiatives of FY26

Process level

- Maker and checker arrangement for Loan disbursement
- New product variant – Top up loan for prompt paying customers-IGL plus
- New CMS partners added for efficiency of cash collections and easy reconciliation

Gold loan as secured non-MFI product line

- Paperless loan documentation: E-sign initiative
- Bio metric customer verification for loan closures
- Co-lending with MAFIL

Manpower Initiatives

- Department wise manpower optimisation
- Mandatory 3 days Classroom offline training plus two-week field induction complementing online training
- Lateral recruitment to attract efficient resources from industry
- Performance linked rating and appraisal system

Technology Upgrade

- New BRE- Strategy one from CRIF Solutions under integration
- Geo-fencing for CMS vendors for collection at branches
- Transitioning MFI loan documentation from phygital to fully digital through e-sign

Productivity initiatives

- Leadership support through exceptional management for FDA.
- Initiative rationalisation to enhance productivity.
- Structured and periodic training programs for FDA disbursement and collections

Credit underwriting

- Implemented MFIN 1.0 and MFIN 2.0 guardrails with stricter compliance norms
- Enhanced repayment tenure flexibility for MFI loans
- Credit Risk and vintage based pricing & ticket rationalisation

Digital Innovation

Turning Technology into Capability

FY2025-26 was not a year of digital ambition; it was a year of digital execution. Across onboarding, disbursement, collections and internal operations, technology moved from the drawing board into daily practice. Every initiative described in this chapter moved from planning to implementation. The result is an institution that is faster, more secure and meaningfully more efficient than it was twelve months ago, and one whose digital infrastructure is now built to carry the growth phase ahead.



A Seamless, Paperless Borrower Journey

We believe access to finance should be simple, seamless and efficient. During FY26, we significantly reduced our post-sanction turnaround time from one full day to just 30 minutes by digitising key stages of the borrower journey. Biometric e-KYC was integrated across both customer onboarding and loan settlement, eliminating paperwork at either end of the process. We also implemented e-Sign across all our gold loan branches, enabling faster contract execution and a completely paperless experience. Together, these initiatives transformed a document-intensive process into a seamless, paperless borrower journey, delivering greater speed, convenience and confidence for customers.



Making Repayments Simpler

Creating a seamless borrowing experience extends well beyond loan disbursement. During the year, we expanded our digital repayment ecosystem by introducing QR code-based payments, Quick Pay through SMS and a customer self-service application, giving borrowers greater flexibility to repay loans without visiting a branch. These improvements strengthened customer convenience while contributing to better portfolio performance. Zero Bucket Collection Efficiency improved from 97.21% to 99.10%, while overall collection efficiency closed FY26 at 92.12%, demonstrating the effectiveness of our digitally enabled collections ecosystem.



Embedding Technology into Credit Discipline

Responsible lending begins with disciplined underwriting, and technology now plays a central role in maintaining those standards. During FY26, we strengthened our credit framework by embedding key policy controls directly into our lending systems. Credit rules were fully aligned with SRO guidelines and RBI guidance, ensuring that non-compliant applications could not proceed through the system. We implemented 100% biometric verification for every new customer onboarding, introduced a dual-authority approval workflow requiring Area Head authorisation after Branch Head sanction and deployed an enhanced income scorecard to strengthen borrower repayment capacity assessment at the point of origination. These system-driven controls contributed to an improvement in our sourcing-to-sanction ratio, which reached 47.1% by the end of the year. During reporting year, we also initiated the integration of Strategy-One, a next-generation Business Rule Engine (BRE) developed by CRIF Solutions. Once fully implemented, the platform will strengthen automated credit decision-making, enhance portfolio quality and support the creation of a more resilient and profitable lending portfolio in the years ahead. Building Greater Ownership of Our Technology.

As our business continues to scale, owning and strengthening our technology infrastructure has become increasingly important. During the year, we reduced our dependence on external vendors by acquiring source code, bringing IT asset management and support in-house, renegotiating vendor contracts, discontinuing non-utilised services and optimising AMC costs. These initiatives generated cost savings of approximately ₹ 19.91 Crores while giving us greater control over our technology ecosystem, reducing operational risk and enhancing our ability to respond quickly to evolving business requirements.

Technology enabling Strategic Partnerships

Technology has become a critical enabler of our co-lending strategy. During FY26, we successfully operationalised technology integration with Manappuram Finance for co-lending, advanced integration with IDFC Bank to near completion and initiated integration with DCB Bank. These technology-led partnerships enhance our ability to serve a broader customer base while ensuring that every lending relationship continues to operate within our established underwriting, compliance and risk management framework.

Securing Our Digital Future

As digital adoption increases, protecting customer information and strengthening governance remain fundamental priorities. During the year, we enhanced cyber risk awareness across the organisation through focused employee training, reinforcing security at the first line of defence. We also strengthened governance through the implementation of dedicated oversight forums, including the Product Process Committee, Assurance Committee and Fraud Identification Committee. Collectively, these initiatives strengthened accountability, improved oversight and reinforced the integrity of our digital operating environment.

Way Forward

The digital capabilities we strengthened during FY26 have established a robust foundation for our next phase of growth. As we expand into new markets and diversify our portfolio, we will continue to enhance our analytics capabilities, scale our digital collections architecture and deepen technology integration across the lending lifecycle. We will also extend our digitally enabled operating model to support our planned expansion into Tier 1 cities while maintaining the discipline, governance and customer-centricity that define our business. Technology will remain a strategic enabler of our business, helping us deliver responsible financial inclusion with greater speed, efficiency and scale while supporting sustainable long-term growth.



Cybersecurity & Information Security

Securing Trust in a Digital World

As Asirvad continues to accelerate its digital transformation, cybersecurity has become a strategic business priority. Every digital interaction from customer onboarding and loan disbursement to collections and internal operations depends on a secure, resilient and trusted technology environment. Protecting customer information, safeguarding business operations and ensuring regulatory compliance remain integral to our commitment to responsible financial services.

Our cybersecurity strategy is built on internationally recognised standards, proactive risk management and continuous monitoring. By combining robust governance, advanced security technologies and a strong culture of cyber awareness, we continue to strengthen our resilience against evolving cyber threats while preserving the confidentiality, integrity and availability of information across the organisation.

Strengthening Our Cybersecurity Framework

Our multi-layered cybersecurity framework combines governance, technology, processes and people to protect critical information assets and support uninterrupted business operations. The following capabilities work together to strengthen our digital resilience, safeguard information assets and protect customer trust.



Information Security Governance

Information security is governed through an Information Security Management System (ISMS) is certified under **ISO/IEC 27001:2022.** This internationally recognised framework enables us to systematically identify, assess, and mitigate information security risks across the organisation while driving continual improvement across our security practices.

Continuous Vulnerability Management

We conduct periodic Vulnerability Assessment and Penetration Testing (VAPT) across our applications, technology and network infrastructure. Identified vulnerabilities are identified, prioritised based on risk and remediated through structured action, ensuring our systems remain resilient against emerging threats.

Real-Time Threat Monitoring

A 24×7 Security Operations Centre (SOC), integrated with a Security Information and Event Management (SIEM) platform, continuously monitors our digital ecosystem for potential threats. This capability enables early detection, rapid investigation and timely incident response, minimising operational disruption and strengthening cyber resilience.

Comprehensive Endpoint Security

Critical endpoints across the organisation are protected through advanced endpoint security solutions, complemented by centralised patch management and continuous monitoring. These controls help safeguard devices against evolving malware, ransomware and other cyber threats while ensuring business continuity.

Building Cyber Awareness

Technology alone cannot eliminate cyber risk. Cybersecurity is strengthened not only through technology but also through people. We conduct regular cybersecurity awareness programmes, phishing simulation exercises and role-based training. These initiatives reinforce secure behaviours across the organisation and equip employees to identify and respond to emerging cyber risks.

Secure Communication Environment

Our email security framework is reinforced through the implementation of SPF, DKIM and DMARC protocols, complemented by advanced anti-phishing controls to help safeguard business communications against evolving threats.

Securing the Digital Ecosystem

As our digital ecosystem continues to expand, we undertake comprehensive cloud security reviews and third-party security assessments to validate secure configurations, strengthen vendor risk management and ensure that our technology partners adhere to established security standards.

Robust Policy Framework

Our cybersecurity programme is supported by comprehensive policies covering Cybersecurity, Information Security Management and Data Privacy. These policies are periodically reviewed to align with evolving regulatory expectations including the provisions of the Digital Personal Data Protection Act (DPDPA), while promoting consistent security practices across the organisation.

Strong Security Leadership

Cybersecurity governance is led by a certified Chief Information Security Officer (CISO), supported by a dedicated Information Security team responsible for enterprise-wide security oversight, proactive risk management, regulatory compliance and strengthening cyber resilience across the organisation.



Environment, Social and Governance

Creating Sustainable Value, Responsibly

At Asirvad, Environmental, Social and Governance (ESG) principles are integral to the way we conduct our business. Every loan we extend represents an opportunity to improve livelihoods, strengthen household resilience and promote economic participation among underserved communities, particularly women entrepreneurs. It requires responsible lending, sound governance, environmental stewardship and a steadfast commitment to the communities we serve. Our approach to Environmental, Social and Governance (ESG) is therefore embedded in the way we conduct business, make decisions and engage with our stakeholders.

As a responsible financial institution, we recognise that creating long-term value extends beyond financial performance. By integrating sustainability considerations into our business strategy, governance framework and day-to-day operations, we strive to create positive outcomes for customers, employees, communities and other stakeholders, while building a resilient institution prepared for long-term growth. These principles guide our strategy as we build a resilient institution capable of delivering sustainable growth while creating positive social impact.

Our ESG framework serves as the foundation for identifying, managing and monitoring environmental, social and governance priorities across the organisation. It strengthens business resilience, supports regulatory compliance, manage emerging risks responsibly and reinforces stakeholder trust while ensuring sustainable growth through ethical business practices.

Environment

We recognise our responsibility to minimise the environmental footprint of our operations while improving resource efficiency across our network. Although our business has a relatively low direct environmental impact, we continue to adopt practices that support responsible resource consumption and sustainable operations.

During the year, we continued to promote energy-conservation through the adoption of energy-efficient lighting and air-conditioning systems across our offices. Our continued investment in digital technologies has significantly reduced paper -based documentation by enabling paperless customer onboarding, e-signatures and electronic workflows. These initiatives not only streamlined operational efficiency but also reduce paper consumption, printing requirements and lowered emissions associated with physical documentation and travel.

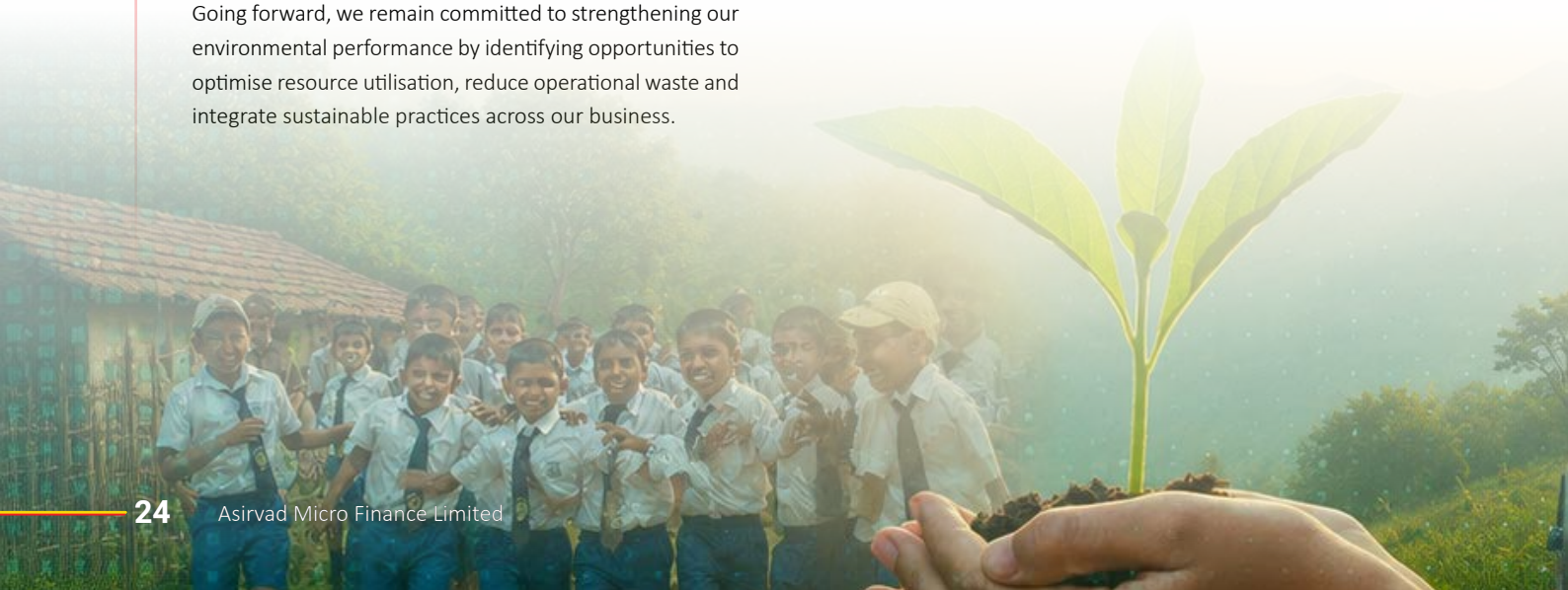
Going forward, we remain committed to strengthening our environmental performance by identifying opportunities to optimise resource utilisation, reduce operational waste and integrate sustainable practices across our business.

Social

Advancing Financial Inclusion

Financial inclusion lies at the core of Asirvad's business model. We provide responsible and accessible credit to underserved communities, enabling customers to build sustainable livelihoods, strengthen household income and improve financial resilience.

Our lending philosophy extends beyond providing credit. We remain committed to responsible lending practices that emphasise appropriate customer assessment, transparent communication, fair pricing and ethical collection practices. By maintaining high standards of customer protection and regulatory compliance, we seek to build enduring relationships founded on trust and accountability.



Empowering Women and Communities

Women constitute the majority of our customer base, making gender empowerment central to our social impact. By expanding access to formal financial services, we enable women entrepreneurs to invest in income-generating activities, strengthen household financial stability and participate more actively in local economic development.

Through our branch network, we continue to strengthen financial inclusion across rural, semi-urban and underserved communities, contributing to inclusive economic growth and supporting national financial inclusion objectives.

Creating Lasting Community Impact

Financial inclusion lies at the heart of our purpose, extending beyond the credit we provide to the communities we serve. Through our Corporate Social Responsibility (CSR) initiatives, we seek to create sustainable social impact by improving the quality of life of individuals, families and communities.

Our CSR initiatives, primarily undertaken through the Manappuram Foundation, focus on addressing critical social priorities across our areas of operation. These initiatives span education, healthcare, livelihood generation, women's empowerment and community development, enabling us to create lasting and meaningful change where it is needed most.

We continue to support projects that are socially relevant and responsive to local community needs, particularly in regions surrounding our corporate offices and branch network. Through these initiatives, we seek to strengthen community resilience while contributing to inclusive and sustainable development.

Governance

Strong governance forms the foundation of our long-term sustainability and stakeholder confidence. We are committed to maintaining the highest standards of integrity, transparency, accountability and ethical conduct across every aspect of our business.

Our governance framework is supported by an experienced and diverse Board of Directors that provides strategic direction, independent oversight and effective risk governance. Through robust internal control systems, well-defined policies and a strong culture of compliance, we ensure that our business operates responsibly while remaining aligned with regulatory requirements and stakeholder expectations.

Responsible lending remains central to our governance philosophy. During FY 2025-26, we continued to strengthen our credit governance framework through enhanced underwriting standards, system-driven policy controls, improved portfolio monitoring and greater alignment with regulatory and Self-Regulatory Organisation (SRO) guidelines. These measures reinforce prudent credit practices while protecting customer interests and maintaining portfolio quality.

Risk management continues to be embedded across our decision-making processes, enabling us to proactively identify, assess and mitigate emerging risks. At the same time, we remain committed to protecting customer interests by promoting fair business practices, responsible lending and transparent engagement across every customer interaction.

As we continue to grow, we remain focused on strengthening our ESG practices, embedding sustainability deeper into our business and creating enduring value for our customers, employees, communities, shareholders and society at large.

Ethics and integrity underpin every aspect of our operations. Our Code of Conduct, Whistleblower Framework, anti-fraud mechanisms and compliance culture promote transparency, accountability and responsible business practices across the organisation.



Corporate Social Responsibility

Extending Progress Beyond Business

01 Supporting Physically Challenged Individuals and Women Burn Survivors

Partner: Dream Runners Foundation, Chennai | Ongoing since FY2020-21

Implemented through three partner organisations - Freedom Trust, PCVC (International Foundation for Crime Prevention and Victim Care), and Vijay Human Services, the initiative supports prosthetic limb assistance, rehabilitation for women burn survivors, and vocational skill training for intellectually disabled children. Funds are disbursed annually following evaluation by Manappuram Foundation's Project Planning Committee and approval by the Managing Trustee.

Beneficiaries:

20-30 physically challenged individuals (prosthetic limbs); 30-40 women burn survivors of violence; intellectually disabled children (vocational training)

Outcomes & Impact:

Restored mobility and independence for physically challenged beneficiaries; improved physical recovery and emotional well-being for women burn survivors; enhanced employability and self-confidence among intellectually disabled children; greater social inclusion and economic self-reliance across all beneficiary groups





02 Home for Homeless Project

Implemented through Manappuram Foundation | FY2025-26

Provides permanent, secure housing to economically disadvantaged families living in unsafe or inadequate conditions. Beneficiaries are identified through community recommendations, followed by field verification and socio-economic assessment before financial assistance is sanctioned for construction.

Beneficiaries:

10 direct beneficiaries and families across 7 districts in Kerala, Thrissur, Ernakulam, Palakkad, Kozhikode, Kannur, Kasaragod, Alappuzha

Gender: 8 women, 2 men

Age group: All 18-59 years

Geography: Rural (5), Urban (3), Semi-Urban (2)

Outcomes & Impact:

Permanent, secure housing for all beneficiary families; improved living conditions and physical safety; enhanced dignity and social inclusion; reduced housing-related vulnerability, enabling families to focus on livelihood, health and education



03 Manappuram Harmony Tribal Beats



Partner: APJ Abdul Kalam International Residential Tribal School, Attapadi | Initiated FY2025-26

Addresses developmental challenges faced by the tribal community of Attapadi, Palakkad District, Kerala, including limited education access, unemployment, school dropouts and cultural erosion. Manappuram Foundation funded land acquisition for a Tribal Museum, Tribal Cultural Centre, Tribal Youth Sports Academy, an IT Park for dropout students, and a Tribal Tourism Village, to be developed in phases.

Beneficiaries:

Scheduled Tribe youth, students, school dropouts, artisans, women and cultural practitioners of Attapadi (Palakkad District, Kerala)

Outcomes & Impact:

FY26 marked the foundational phase with land acquisition completed. Envisioned outcomes include improved educational and digital literacy access, preservation of tribal art and cultural heritage, sustainable livelihoods through tourism and handicrafts, and stronger community institutions for long-term tribal development

04 Alpha Hospice and Old Age Home Support Project

Partner: Alpha Charitable Trust | Thrissur District, Kerala

Supports the construction of the Alpha Hospice at Edamuttam and an Old Age Home for the Alpha Palliative Care Link Centre, Chalakudy, addressing a critical gap in palliative and elderly care infrastructure in the region. Approved by the Managing Trustee following proposal evaluation, with construction proceeding in phases and monitored through periodic site visits and reports.

Beneficiaries:

Terminally ill patients and senior citizens requiring palliative care, including economically weaker sections, SC/ST and minority communities across Thrissur and Chalakudy (rural and semi-urban)

Outcomes & Impact:

Reduced dependence on rented and temporary care facilities; expanded access to quality palliative and elderly care; improved medical, emotional and social support for vulnerable patients and the elderly

Respecting Human Rights

Respect for human rights is fundamental to our values and the way we conduct business. We are committed to fostering a workplace built on dignity, fairness, equality and mutual respect, ensuring that every employee is treated with integrity throughout their professional journey.

Our Human Rights Policy promotes diversity, equality and inclusion, prohibits discrimination in all forms and seeks to prevent human rights violations across our operations and value chain. Employment decisions are guided solely by merit, capability and business requirements, ensuring equal opportunities for recruitment, development, compensation and career progression.

We maintain a workplace free from physical, verbal and psychological harassment, supported by policies, grievance mechanisms and awareness programmes designed to protect employee rights and promote a culture of respect, accountability and inclusion.



Employee Empowerment

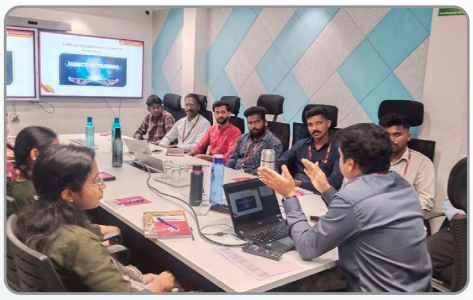
Empowering Our People

At Asirvad, we firmly believe that our employees are the foundation of our success. We recognise that a motivated, skilled, and engaged workforce is fundamental to delivering sustainable business growth and creating long-term value for all stakeholders. Accordingly, we are committed to creating a workplace that encourages continuous learning, professional growth, collaboration, recognition and employee well-being.

Our people philosophy is built on creating opportunities for employees to learn, grow, and excel throughout their careers. Through structured induction programmes, digital learning initiatives, employee engagement programmes, feedback mechanisms, long-service recognition program, and educational support, we strive to build a motivated and future-ready workforce where every employee feels valued, empowered, and inspired to contribute to the Company's success.

Comprehensive Induction Programme

A positive employee experience begins from the very first day. Every new employee at Asirvad undergoes a comprehensive at exclusive training centers designed to facilitate a smooth transition into the organisation and provide a strong foundation for long-term success. The induction programme familiarises employees with Asirvad's vision, mission, values, organisational culture, governance framework, business model, products, services, business operations and strategic objective while providing a clear understanding of their roles and responsibilities. The induction programme also introduces employees to the Company's operational processes, customer-centric approach, quality standards, compliance requirements, and code of conduct.



The induction journey includes:

- Classroom-based learning sessions led by experienced business and functional leaders.
- Overview of the Company's products, services, and business operations.
- Human resource policies, employee benefits, performance management framework, and career development opportunities.
- Information security, regulatory compliance, risk management, and workplace ethics.
- Familiarisation with digital systems, technology platforms, and internal communication channels.
- Function-specific training tailored to individual roles and responsibilities.
- Interaction with senior leadership and cross-functional teams to facilitate collaboration and organisational integration.

This structured onboarding process enables employees to gain a clear understanding of their responsibilities while helping them build confidence, establish professional relationships, and contribute effectively from the outset.

Continuous Learning through Asirvad's Digital Learning Hub (ADLH)

In today's rapidly evolving business environment, continuous learning is essential for maintaining organisational agility and building future-ready capabilities. To support lifelong learning, Asirvad has established Asirvad's Digital Learning Hub (ADLH), a comprehensive digital learning ecosystem that provides employees with anytime, anywhere access to learning resources. The learning ecosystem includes programmes on:

- Functional and technical skill enhancement.
- Product knowledge and operational excellence.
- Regulatory and compliance updates.
- Digital capabilities and emerging technologies.
- Leadership and managerial effectiveness.
- Communication, collaboration, and interpersonal skills.
- Customer service excellence.
- Risk management and governance practices.





The platform offers a wide range of learning resources that enable employees to enhance their professional knowledge, develop new skills, and stay updated with evolving business practices, regulatory developments, and technological advancements. ADLH supports self-paced learning, allowing employees to access courses and learning modules at their convenience, thereby fostering a culture of continuous improvement and lifelong learning.

The platform enables employees to monitor their learning progress, complete assigned certifications, and continuously upgrade their competencies. By making learning easily accessible, ADLH nurtures a culture of continuous improvement, innovation, and knowledge sharing across the organisation.

Celebrating Our Employees

At Asirvad, we believe that celebrating personal milestones strengthens workplace relationships and promotes a positive organisational culture. Birthdays are celebrated for all employees during the first week of their respective birthday month through cake-cutting ceremonies and team engagement activities.

These celebrations provide opportunities for colleagues to connect, appreciate one another, and create a sense of belonging. Such initiatives contribute to employee morale and reinforce the Company's commitment to building a supportive and inclusive work environment. In addition to birthday celebrations, the Company periodically organises cultural events, festive celebrations, team-building activities, and employee interaction programmes that promote collaboration, diversity, and a vibrant organisational culture.



Christmas Celebration 25

Supporting Higher Education

As part of its commitment to employee development, Asirvad encourages employees to pursue higher education and professional qualifications by providing financial support for approved academic programmes. To encourage continuous professional growth, the Company provides financial assistance to employees pursuing approved higher education and professional qualification programmes.

The educational assistance programme enables employees to enhance their academic credentials while continuing their professional responsibilities. The initiative reflects the Company's confidence in the long-term value of continuous learning and its commitment to developing internal talent for future leadership positions. Currently,eligible employees are pursuing various higher education and professional courses, including **LLB, MBA, CMA**, and other recognised programmes with the support of the Company. This initiative reflects Asirvad's long-term commitment to nurturing talent and developing future leaders from within the organisation.



Employee Engagement and Workplace Culture

Employee feedback plays a vital role in shaping Asirvad's people practices and workplace culture. To understand employee experiences and identify opportunities for improvement, the Company conducts the **MPlus Employee Engagement Survey** through a secure online platform.

The survey provides employees with a confidential and structured channel to share their views on multiple dimensions of the employee experience, including:

- Leadership effectiveness
- Communication and transparency
- Learning and career development
- Work environment
- Collaboration and teamwork
- Employee well-being
- Recognition and rewards
- Organisational culture
- Workplace policies
- Overall employee engagement



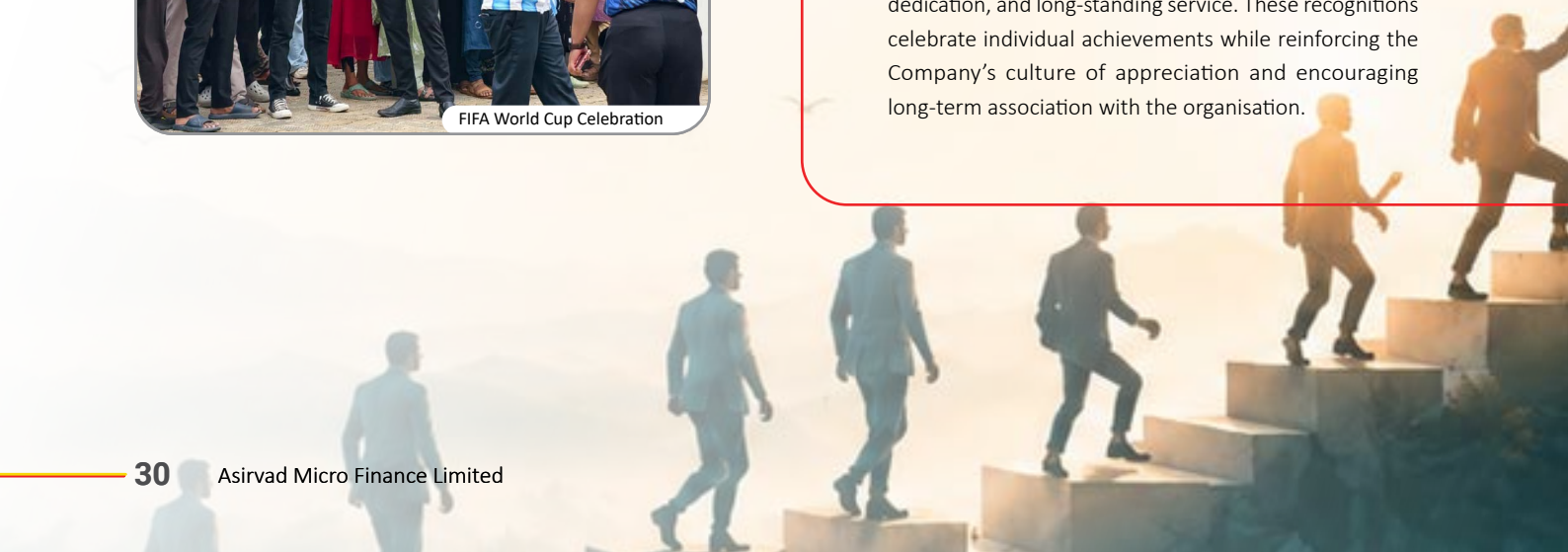
Robust confidentiality measures encourage employees to provide honest and constructive feedback without hesitation. The insights gathered from the survey enable the Company to strengthen employee engagement initiatives, enhance workplace practices, and create an environment where employees feel heard, valued, and empowered.


FIFA World Cup Celebration

Recognising Long-Service Excellence

Recognising personal milestones helps foster a culture of belonging and strengthens workplace relationships. Asirvad takes pride in recognising the dedication and loyalty of employees who have made significant contributions to the Company's growth over the years. Employees completing **10 years and 15 years** of continuous service are honoured through a formal recognition programme.

As a token of appreciation, eligible employees are presented with commemorative mementoes and cash awards in recognition of their unwavering commitment, dedication, and long-standing service. These recognitions celebrate individual achievements while reinforcing the Company's culture of appreciation and encouraging long-term association with the organisation.





Building a Culture of Growth and Engagement

Employee empowerment remains central to Asirvad's organisational philosophy. We believe that a workplace built on learning and development, promoting higher education, recognising employee contributions, encouraging open feedback, and celebrating important milestones, enables employees to realise their full potential while contributing meaningfully to organisational success. As we continue to grow, we remain committed to strengthening our people practices, fostering an inclusive and high-performance culture, and empowering every employee to learn, innovate, lead, and succeed. Our people will continue to be our greatest strength as we work towards achieving sustainable growth and creating lasting value for our customers, stakeholders, and communities.



Vishu Celebration 26

FY26 Workforce Snapshot

13,300

Employees

12,169

Male

1,131

Female

4,673

New Employees Onboarded During the Year

Board of Directors

Steering the Future with Renewed Perspective



Mr. V P Nandakumar

Chairman and
Non-Executive and
Non-Independent Director



Mr. Desh Raj Dogra

Non Executive and
Independent Director



Ms. Radhika Subramanian*

Non Executive and Non
Independent Director



Mr. Rajesh Kumar Rathanchand*

Non Executive and
Independent Director



Mr. Balaji Veeravalli Vijayaraghavan*

Non Executive and
Independent Director

*Appointed pursuant to of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company and BC Asia Investments XXV Limited and BC Asia Investments XIV Limited

Scan the QR code to access
detailed profiles of the Directors.

Old Directors



Mr. S V Raja Vaidyanathan**

Non Executive and Non Independent Director



Mr. Gautam Saigal**

Non Executive and Non Independent Director



Mr. Abhijit Sen**

Non Executive and Independent Director



Mr. S K Mitra**

Non Executive and Independent Director



Mr. T Balakrishnan**

Non Executive and Independent Director



Mr. Harshan Kollara**

Non Executive and Independent Director



Ms. Pushya Sitaraman**

Non Executive and Independent Director



Ms. Anita Belani***

Non Executive and Independent Director



Mr. B N Raveendra Director****

Managing Director

** Resigned pursuant to the terms of the securities subscription agreement and shareholders' agreement dated March 20, 2025, executed by and between the Company and BC Asia Investments XXV Limited and BC Asia Investments XIV Limited

***Resigned from the board w.e.f October 09, 2025

**** Term of Managing director came to an end on June 01, 2025.

Leadership Team

Driving Our Next Phase of Growth



Mr. Manoj Gerard David Pasangha

Chief Executive Officer



Mr. Roy Varghese

Chief Executive Officer



Mr. Rajesh KRN Namboodiripad

Chief Financial Officer



Mr. Mithun B Shenoy

Company Secretary & Compliance Officer



Mr. Unnikrishnan Janardnan

Chief Operating Officer



Mr. Anurag Dwivedi

Deputy Chief Operating Officer



Mr. Chintha Prasad

Deputy Chief Operating Officer



Mr. Ashok Kumar Gopalasamy

Chief Human Resources Officer



Mr. Muthu Bhaskar

Business Head GL



Mr. Ajith U

Chief Technology Officer



Mr. Adinadh K R

Chief Information Security Officer



Mr. Sundararaj S

Chief Risk Officer



Mr. Sureshkumar S

Chief Compliance Officer



Mr. Palanisamy Annamalai

Chief Learning Officer



Mr. Vinod P B

Chief Credit Officer

Corporate Information

Company

Asirvad Micro Finance Limited

Corporate Identification Number

U65923TN2007PLC064550

Registered Office

Ceebros Manjula, 3rd Floor, Office No. 1, New No. 39, Old No.45, Montieth Road, Egmore, Opp: Indian Red Cross Society, Chennai, Tamil Nadu– 600008

Chief Executive Officer

Mr. Manoj Gerard David Pasangha

Chief Executive Officer

Mr. Roy Varghese

Chief Financial Officer

Mr. Rajesh KRN Namboodiripad

Company Secretary & Compliance Officer

Mr. Mithun B Shenoy
Email ID: cs@asirvad.in
Contact No: +91-9345960647

Statutory Auditors

A John Moris & Co.,
Chartered Accountants

No.5, Lakshmipuram 1st Street, Deivasigamani Road, (Near music Academy), Royapettah, Chennai - 600014, Tamil Nadu, India

Secretarial Auditors

KSR & Co., Company Secretaries LLP

Indus Chambers, Ground Floor No.101, Govt Arts College Rd, Coimbatore-641018

Registrars & Transfer Agents

MUFG Intime India Private Limited

Address: "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028, Tamil Nadu, India

Phone: +91 422 2314792/ 5792, 4958995, 2539835/ 836

Fax: +91 422 2539837

E-mail: coimbatore@in.mpms.mufg.com

Website: https://www.in.mpms.mufg.com

Contact Person: Ms. S. Dhanalakshmi

Debenture Trustees

Catalyst Trusteeship Limited
(formerly known as GDA Trusteeship Limited)

GDA House, Plot No.85, Bhusari Colony (Right), Paud Road, Pune – 411038 and having a branch office at 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013, Maharashtra, India

Phone: +91 22 4922 0555

E-mail: dt.mumbai@ctltrustee.com

Website: https://catalysttrustee.com/

List of Lenders

Co Operative Bank

The Hoshiarpur Central Cooperative Bank Ltd
The Jullundur Central Cooperative Bank Ltd
The Ludhiana Central Cooperative Bank Ltd
The Moga Central Cooperative Bank Limited
The Punjab State Cooperative Bank Ltd
The SAS Nagar Central
Cooperative Bank Limited

NBFC

A K Capital
Aditya Birla Finance Ltd
Bajaj Finance Ltd
Hinduja Leyland Finance
MAFIL
Nabkisan Finance Ltd
Northern Arc Capital Limited
Tata Capital Ltd
Vivriti

Foreign bank

Bank of Bahrain and Kuwait
CITI Bank
CTBC Bank
HSBC Bank
SBM Bank
Standard Chartered Bank

FII

World Business Capital

Private Bank

Axis Bank
Bandhan Bank
Catholic Syrian Bank
City Union Bank
DCB Bank
Federal Bank
HDFC Bank
ICICI Bank
IDBI Bank
IDFC First Bank
Karnataka Bank
Kotak Mahindra Bank
Lakshmi Vilas Bank
RBL Bank Ltd
South Indian Bank
YES Bank Ltd.

Regional Rural Bank

Bhangiya Gramin Vikash Bank
Bihar Gramin Bank
Odishya Gramin Bank

SFB

Equitas Small Finance Bank

PSU Bank

Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
Indian Bank
Indian Overseas Bank
Punjab National Bank
State Bank of India
UCO Bank

Financial Institutions

Small Industries Development Bank of India (SIDBI)

MUDRA (Micro Units Development & Refinance Agency Ltd.)

NABARD (National Bank for Agriculture and Rural Development)

Board and its Committees

Board of Directors

Mr. V P Nandakumar
Chairman
Mr. Rajesh Kumar Rathanchand
Member
Mr. Balaji Veeravalli Vijayaraghavan
Member
Ms. Radhika Subramanian
Member
Mr. D. R Dogra
Member

Audit Committee

Mr. D. R Dogra
Chairman
Mr. Rajesh Kumar Rathanchand
Member
Mr. Vijayaraghavan Balaji Veeeravalli
Member
Ms. Radhika S
Member
Mr. V. P Nandakumar
Member

Nomination Compensation Corporate Governance Committee

Mr. Rajesh Kumar Rathanchand
Chairman
Mr. D. R Dogra
Member
Ms. Radhika Subramanian
Member
Mr. V P Nandakumar
Member

Risk Management Committee

Mr. Rajesh Kumar Rathanchand
Chairman
Ms. Radhika Subramanian
Member
Mr. Manoj Gerard David Pasangha
Member
Mr. V P Nandakumar
Member

Financial Resources Management Committee

Mr. Rajesh Kumar Rathanchand
Chairman
Ms. Radhika Subramanian
Member
Mr. V P Nandakumar
Member
Mr. Manoj Gerard David Pasangha
Member

Corporate Social Responsibility Committee

Mr. V P Nandakumar
Chairman
Mr. Balaji Veeeravalli Vijayaraghavan
Member
Mr. D R Dogra
Member

Asset Liability Management Committee

Mr. Manoj Gerard David Pasangha
Chairman
Mr. Roy Varghese
Member
Chief Risk Officer
Member
Chief Financial Officer
Member
Chief Compliance Officer
Member

IT Strategy Committee

Mr. Balaji Veeeravalli Vijayaraghavan
Chairman
Ms. Radhika Subramanian
Member
Mr. V P Nandakumar
Member
Mr. Manoj Gerard David Pasangha
Member

Stakeholders Relationship Committee

Mr. D. R Dogra
Chairman
Mr. Manoj Gerard David Pasangha
Member
Mr. V P Nandakumar
Member
Ms. Radhika Subramanian
Member

Customer Service Committee

Mr. D. R Dogra
Chairman
Mr. Manoj Gerard David Pasangha
Member
Mr. V P Nandakumar
Member
Ms. Radhika Subramanian
Member

Committee for Reviewing Wilful Defaulters

Mr. Manoj Gerard David Pasangha
Chairperson
Mr. D. R Dogra
Member
Mr. V P Nandakumar
Member

Fraud Risk Management Committee

Mr. Manoj Gerard David Pasangha
Chairperson
Mr. Roy Varghese
Member
Mr. V.P. Nandakumar
Member
Chief Financial Officer
Member
Chief Compliance Officer
Member
Chief Risk Officer
Member
Head-Internal Audit
Member
Head- Vigilance
Member

Management Discussion Analysis

Indian Economy: An Overview[1]

India's Steady Growth Amid Global Shifts

India continues to emerge as one of the fastest-growing major economies in the world despite a challenging international environment characterised by geopolitical tensions, trade disruptions, supply chain realignments, and uncertainties in global energy markets. The economy has demonstrated remarkable resilience by maintaining strong growth momentum even as many advanced economies face slower expansion and elevated inflationary pressures.

The projected real GDP growth of 7.6% in FY26 reflects the strength of India's domestic fundamentals. Robust consumer demand, a revival in manufacturing activity, and sustained growth in the services sector have collectively driven economic expansion. Looking ahead, growth is expected to moderate to a healthy 6.5% in FY27, reflecting a normalisation process after the post-pandemic recovery and the impact of external uncertainties such as climate-related disruptions, geopolitical tensions, and evolving global trade patterns.

A significant transformation is occurring in the structure of economic demand. While government-led infrastructure investment played a crucial role in supporting growth in recent years, FY26 marks a gradual shift toward private consumption and private investment-driven growth. Rising household incomes, improved consumer confidence, and increased private sector participation in Gross Fixed Capital Formation (GFCF) indicate a maturing economic cycle characterised by broader participation from businesses and consumers.

Macroeconomic stability has further strengthened India's growth story. Inflation has remained well contained, with average Consumer Price Index (CPI) inflation estimated at 2.1% in FY26, supported by favorable agricultural output, stable food prices, and prudent monetary management. Fiscal discipline has also improved significantly, as evidenced by a 1**6.1% reduction in the fiscal deficit**, driven by strong tax collections and efficient expenditure management. These developments enhance investor confidence and create a stable environment for long-term growth.

[1]**Source:** KPMG- Decoding the Indian Economy FY2026- April 2026



Integrating into the Global Export Engine

India's external sector is undergoing a strategic transformation as global corporations diversify supply chains and seek alternative manufacturing and services hubs. This shift presents a historic opportunity for India to strengthen its position within global value chains.

Despite uncertainties arising from protectionist measures and reciprocal tariff policies implemented by major economies, India recorded 5.8% growth in merchandise and services exports between April 2025 and February 2026. This performance underscores the competitiveness of Indian businesses and the growing global demand for Indian products and services.

Furthermore, an important milestone in India's trade strategy has been the successful conclusion or advancement of key Free Trade Agreements (FTAs) with major partners including the United Kingdom, Oman, New Zealand and the European Union (EU). These agreements are expected to improve market access, reduce tariff barriers, attract investment, and create opportunities for Indian exporters across manufacturing, agriculture, and services sectors.

The services sector remains a cornerstone of India's external strength. Driven by increasing global demand for software development, IT consulting, business process management, artificial intelligence solutions, and digital services, India's services trade surplus expanded by 17.7% year-on-year. This strong performance has reinforced India's reputation as a global technology and services powerhouse.

Foreign investors have responded positively to these developments. Foreign Direct Investment (FDI) equity inflows increased by 21.7% during the first nine months of FY26, with software, hardware, digital services, and technology-intensive sectors attracting the majority of investments.

Innovation and Ecosystem-Level Transformation

India's economic transformation is increasingly being driven by innovation, digital infrastructure, and enterprise modernisation. Rather than relying solely on incremental improvements, the country is building integrated ecosystems that support large-scale economic participation.

Digital Public Infrastructure Revolution

India's Digital Public Infrastructure (DPI) has become a globally recognised model for financial inclusion and digital governance. Platforms such as:

- Unified Payments Interface (UPI)
- DigiLocker
- Aadhaar-enabled services

have significantly reduced transaction costs and improved access to financial services.

The scale of adoption is unprecedented. In March 2026, UPI processed 22.6 billion transactions, representing 27% annual growth. This reflects increasing digitalisation of economic activity across urban and rural areas alike.

Rise of Global Capability Centres (GCCs)

India is evolving from a destination for back-office operations into a hub for strategic innovation and decision-making. More than 1,700 Global Capability Centres (GCCs) now operate in India, serving multinational corporations across industries.

These centres increasingly handle:

- Product development
- Research and innovation
- Data analytics
- Artificial intelligence applications
- Strategic business planning

This transition enhances India's position within global corporate value chains and generates high-quality employment opportunities.

Corporate sentiment remains optimistic due to strong domestic demand, policy consistency, and opportunities arising from global supply chain restructuring.

Indian Economy: The Way Forward

Deepening Manufacturing and Self-Reliance (Viksit Bharat)

The vision of Viksit Bharat (Developed India) emphasizes transforming India into a technologically advanced manufacturing economy.

The strategic focus is shifting from simple assembly operations toward:

- Component manufacturing
- Advanced electronics
- Semiconductor fabrication
- Critical mineral processing

Initiatives such as the National Critical Minerals Mission (NCMS) aim to secure essential raw materials required for emerging industries, thereby reducing import dependence and strengthening supply chain resilience.

The long-term objective is to position India as a major global manufacturing hub capable of competing in high-value industries.

Accelerating Green and Resilient Growth

Sustainability is becoming a key component of India's development strategy.

Leveraging Artificial Intelligence for Economic Scale

Artificial Intelligence is becoming a central pillar of India's growth strategy.

India currently accounts for approximately 16% of the global AI talent pool, making it one of the world's largest sources of AI professionals.

To capitalize on this advantage:

- Technology firms are investing heavily in AI research.
- Startups are receiving support for innovation.
- Academic institutions are gaining access to advanced Electronic Design Automation (EDA) tools.
- Government programs are encouraging AI adoption across industries.

The integration of AI into healthcare, manufacturing, education, agriculture, logistics, and financial services has the potential to significantly increase productivity and competitiveness.

Green Hydrogen

Under the National Green Hydrogen Mission (NGHM), the government has committed approximately USD 2.1 Billion to support the production of 5 million metric tonnes of green hydrogen annually by 2030.

Green hydrogen is expected to play a crucial role in:

- Decarbonizing heavy industries
- Reducing fossil fuel imports
- Creating new export opportunities

Nuclear Energy Expansion

To strengthen energy security and support low-carbon growth, India plans to expand nuclear generation capacity to 22,480 MW by 2031-32.

Combined with renewable energy expansion, these efforts contribute to a diversified and resilient energy mix.

Transitioning from Education to Employability:

India's demographic dividend remains one of its greatest strengths.

Each year, the country produces more than **2.5 Million STEM graduates,** creating one of the world's largest talent pipelines.

The focus is increasingly shifting from education quantity to workforce readiness through:


Industry-aligned curriculum


Digital skills training



AI and emerging technology programs


Vocational education


Entrepreneurship development

With over **6 Million professionals** employed in technology and AI-related sectors, India is strengthening its position as a global provider of high-value knowledge services.

Government's Focus on Fiscal and Institutional Clarity

Fiscal responsibility, combined with targeted structural reforms, remains central to sustaining long-term investor trust and macroeconomic predictability:

- Sustained Capital Outlay and Infrastructure: Public finances continue to prioritize a strategic shift toward capital expenditure, channelling funds into infrastructure, manufacturing, and construction. This targeted deployment helps absorb external shocks, lower logistics costs, and improve long-term economic productivity through dedicated freight and multi-modal transit corridors.

- GST 2.0 Reforms and Business Facilitation: The implementation of GST 2.0 reforms has simplified taxation and improved compliance.

  Key benefits include:

  - Reduced complexity
  - Faster input tax credit processing
  - Improved supply chain efficiency
  - Enhanced formalisation of businesses
  - As a result, gross GST collections recorded 8.3% annual growth in FY26, reflecting stronger economic activity and improved compliance

- Empowering the MSME Sector: Micro, Small, and Medium Enterprises (MSMEs) remain the backbone of the economy, contributing 31.1% to India's GDP. The increase in MSME budget allocation to **USD 2.6 Billion for FY27** aims to support:

  - Access to credit
  - Technology adoption
  - Export competitiveness
  - Skill development
  - Digital transformation
  - Strengthening MSMEs is essential for inclusive and broad-based economic growth

- Strengthening India's agri-food sector: The BHARATI Initiative seeks to modernize agriculture through innovation and entrepreneurship.

  Its objectives include:

  - Supporting 100 agri-tech startups
  - Encouraging premium agricultural products
  - Expanding technology adoption
  - Building global partnerships
  - Increasing agricultural exports to **USD 50 Billion by 2030**

  The initiative aims to enhance farmer incomes while improving India's position in global agri-food markets.

- PM Street Vendor's Atma Nirbhar Nidhi (PM SVANidhi) Scheme: The **PM Street Vendor's Atma Nirbhar Nidhi (PM SVANidhi)** scheme focuses on integrating informal-sector workers into the formal economy.
  - By 2030, the scheme aims to:
  - Support 11.5 Million street vendors
  - Include 5 Million new beneficiaries
  - Expand access to formal credit
  - Promote digital transactions through UPI-linked RuPay cards
  - Provide cashback incentives for digital adoption

  These measures strengthen financial inclusion while improving livelihoods for millions of micro-entrepreneurs.

Microfinance Industry Structure, Developments and Outlook[2]

Industry Structure and Landscape

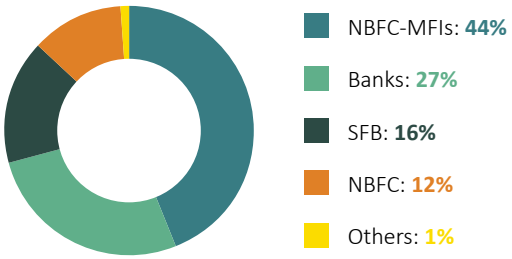
The Indian microfinance sector continues to play a critical role in promoting financial inclusion and providing credit access to low-income households, women entrepreneurs, and underserved communities. As on March 31, 2026, the microfinance industry had a total loan portfolio outstanding of approximately ₹ 3.21 Lakhs Crore and served over 10.1 Crores loan accounts across 721 districts in 28 states and 8 Union Territories.

As on March 31, 2026 NBFC-MFIs are the largest provider of micro-credit with a loan amount outstanding of ₹ 1,43,586 Crores accounting for 44.7% to total industry portfolio. Banks hold the second largest share of portfolio in micro-credit with total loan outstanding of ₹ 86,033 Crores which is 26.8% of total micro-credit universe. SFBs have a total loan amount outstanding of ₹ 51,238 Crores with total share of 16.0%. NBFCs account for another 12.5% and Other MFIs account for 0.9% of the universe.

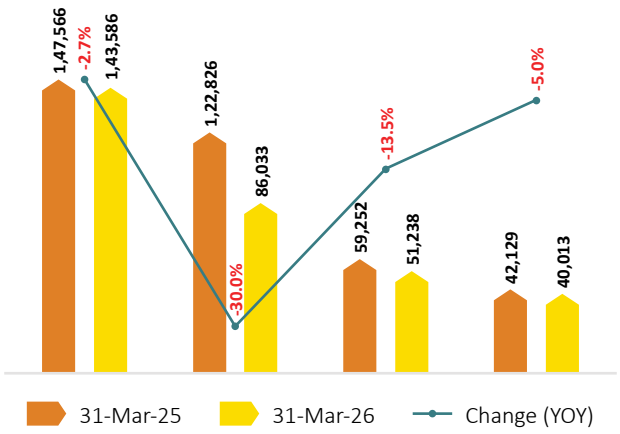
The industry continues to maintain a diversified geographic presence, although concentration remains significant in a few key states. The top ten states account for 83.6% of the industry's Gross Loan Portfolio (GLP), with Bihar remaining the largest microfinance market, followed by Uttar Pradesh and Tamil Nadu. Tamil Nadu reported the highest average loan outstanding per account among the top states, highlighting the growing credit requirements and deeper market penetration in the region.

[2]**Source:** MFIN Micrometer Issue 57- data as on March 31, 2026

Micro-credit loan outstanding across lenders at March 31, 2026



Portfolio outstanding of the microfinance industry (₹ Crores)

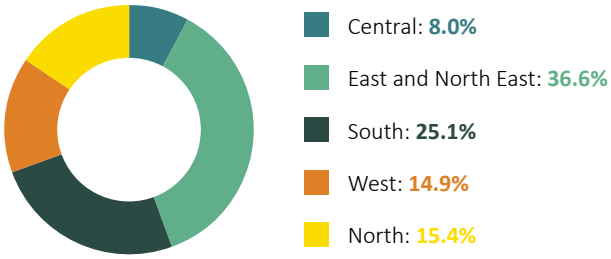


Regional distribution

As on March 31,2026 the industry serves 10.1 Crores loan accounts. The regional spread is depicted below which shows that East and North-East continue to have the largest share of portfolio closely followed by South.

As on March 31, 2026 microfinance operations are present in 721 districts across 28 states and 8 union territories (UTs).

Regional distribution of portfolio 31 March 2026



The Top 10 states (based on universe data) constitute 83.6% in terms of GLP. Bihar continues to be the largest state in terms of portfolio outstanding followed by Uttar Pradesh and Tamil Nadu. Among Top 10 states, Tamil Nadu has the highest average loan outstanding per account of ₹ 35,887 followed by Bihar at ₹ 33,978.

Industry Developments During FY 2025-26

FY 2025-26 marked a significant period of recalibration and consolidation for the microfinance industry. Following the challenges experienced in the previous year, industry participants focused on portfolio quality, responsible lending practices, borrower discipline, and strengthening risk management frameworks.

The NBFC-MFI sector reported an aggregate portfolio of ₹ 1,43,586 Crores as on March 31, 2026, representing a growth of 4.8% over the previous year. While growth remained moderate, the quality of the portfolio improved substantially. Portfolio at Risk (PAR 31-180 days) reduced sharply to 1.9% from 6.6% a year earlier, reflecting successful recovery efforts, tighter underwriting standards, and improved borrower repayment behavior.

During FY 2025-26, NBFC-MFIs disbursed loans amounting to ₹ 1,20,336 Crores through approximately 2.0 Crores loan accounts, representing a 12.3% increase in disbursement value despite a decline in the number of loans disbursed. The average loan amount disbursed per account increased significantly to ₹ 59,553, reflecting a shift towards larger ticket sizes and greater focus on serving established borrowers with stronger credit histories.

Funding support to the sector strengthened considerably during the year. NBFC-MFIs received debt funding of ₹ 77,867 Crores, representing a growth of 30.9% over the previous year. Banks continued to be the primary funding source, contributing 77.5% of total borrowings received. The industry's aggregate equity base also strengthened, increasing by 6.7% to ₹ 36,700 Crores as on March 31, 2026.

The industry continued to maintain extensive outreach with operations spanning 706 districts through a network of 22,548 branches. However, the year witnessed rationalisation across institutions, resulting in a reduction in workforce, active borrowers, and loan accounts. The number of clients served by NBFC-MFIs declined by 15.8% year-on-year, while employee strength reduced by 10.9%, reflecting a strategic focus on operational efficiency and portfolio quality rather than rapid expansion.

Industry Outlook

The microfinance industry enters FY 2026-27 with stronger fundamentals following a period of consolidation and risk correction. Enhanced regulatory oversight, adoption of responsible lending practices, improved borrower assessment mechanisms, and strengthened governance frameworks have collectively contributed to restoring portfolio quality and lender confidence.

The substantial reduction in delinquency levels, improvement in funding availability, and strengthening of capital bases across institutions are expected to support sustainable growth in the coming years. Increasing digitisation, enhanced data analytics capabilities, and greater collaboration among industry stakeholders are likely to improve operational efficiency and credit risk management.

The industry's long-term growth prospects remain favorable, supported by India's large underbanked population, rising financial inclusion initiatives, increasing rural entrepreneurship, and continued policy focus on inclusive economic development. While challenges related to climate risks, local socio-political developments, and economic uncertainties may persist, the sector appears better positioned to pursue disciplined and organic growth.

Discussion on financial performance with respect to operational performance

During FY 2025-26, Asirvad Micro Finance Limited operated in an environment characterised by elevated sectoral challenges and heightened regulatory scrutiny. Similar to the broader microfinance industry, the Company experienced pressure on portfolio growth, disbursement volumes, and asset quality as it navigated a challenging operating landscape.

The financial year was marked by several external and internal headwinds. Extreme weather events, including heavy rainfall, floods, and cyclones across multiple operating geographies, adversely impacted the livelihoods and cash flows of borrowers. These disruptions affected repayment capacities, resulting in increased stress within certain borrower segments and contributing to elevated credit risk across the portfolio.

The Company also faced changes in the socio-political and regulatory environment that impacted business operations and customer engagement in certain regions. In addition, the Company received a "cease and desist" order from the Reserve Bank of India during the year. While the management took immediate corrective measures to address the compliance observations highlighted by the regulator, the resulting suspension of fresh loan disbursements for approximately one quarter significantly affected business momentum and customer acquisition.

The temporary interruption in lending activities led to a decline in disbursement volumes and constrained portfolio growth during the year. The absence of fresh customer additions and reduced renewal lending impacted asset growth and operational productivity across the branch network. Nevertheless, the Company remained focused on maintaining portfolio quality, strengthening governance standards, enhancing compliance frameworks, and improving operational controls.

Despite these challenges, management undertook proactive measures to stabilize operations, strengthen collections, optimize costs, and reinforce risk management practices. The Company prioritised portfolio monitoring, borrower engagement, and recovery initiatives to preserve asset quality while maintaining adequate liquidity and capital strength.

The experience of FY 2025-26 has further reinforced the Company's commitment to responsible lending, regulatory compliance, customer-centric operations, and sustainable growth. As regulatory restrictions have been addressed and industry conditions improve, the Company is well positioned to leverage its extensive branch network, experienced workforce, and established market presence to restore growth momentum and create long-term value for all stakeholders.

Business Performance Review

Financial Highlights

The financial performance of the Company during FY 2025 reflected a challenging operating environment marked by a decline in business volumes, increased credit costs, and deterioration in asset quality.

Financial Highlights of the company is as below:

(Rs. In Crores)

Particulars	FY 2026	FY 2025
Asset Under Management	6,827.96	8,188.79
Total Income (in Crores)	1,506.03	2,716.92
Profit /Loss After Tax (in Crores)	-579.05	-638.71
Net worth (in Crores)	1,681.16	1,514.76
CRAR (%)	20.20%	20.93%
Gross NPA (%)	4.85%	8.54%
Net NPA (%)	1.60%	2.46%

During FY 2026, the Company continued to operate in a challenging business environment, with its Asset Under Management (AUM) declining to ₹ 6,827.96 Crores from ₹ 8,188.79 Crores in the previous year. Total income stood at ₹ 1,506.03 Crores as against ₹ 2,716.92 Crores in FY 2025. Despite the reduction in business volumes and income, the Company reported an improvement in its financial performance, with the loss after tax narrowing to ₹ 579.05 Crores compared to a loss of ₹ 638.71 Crores in the previous year.

The Company's net worth strengthened to ₹ 1,681.16 Crores from ₹ 1,514.76 Crores, reflecting the impact of capital support and the Company's ongoing efforts to stabilize its financial position.

Asset quality indicators showed significant improvement during the year, with Gross NPA reducing to 4.85% from 8.54% and Net NPA declining to 1.60% from 2.46%, driven by focused collection efforts, enhanced recovery mechanisms, and strengthened credit monitoring processes. The Company also maintained a healthy Capital to Risk-Weighted Assets Ratio (CRAR) of 20.20%, comfortably above the regulatory requirement.

Going forward, the management remains committed to strengthening portfolio quality, improving operational efficiency, enhancing collection and recovery performance, and reinforcing risk management practices. Strategic initiatives focused on sustainable growth, prudent underwriting, portfolio diversification, and capital optimisation are expected to support the Company's long-term stability and profitability.

Business Segments

Micro Finance Loans

Microfinance continues to be the core business segment of the Company, serving financially underserved households across rural and semi-urban India. As on March 31, 2026, Asirvad Micro Finance Limited had a Microfinance AUM of ₹ 4,635.54 Crores.

The Company operated through 1,245 standalone Microfinance branches and an additional 322 hybrid branches offering Microfinance, Gold Loans, and MSME Loans. Its operations spanned 22 States and 3 Union Territories, covering 437 districts through a network of 1,567 field branches and serving a client base of approximately 2.94 Million customers.

The Company continued to invest in technology and digital transformation initiatives aimed at improving customer service, reducing turnaround time, and minimizing paperwork through digitised processes.

During FY 2026, the Company disbursed ₹ 2,870.45 Crores to 514,656 clients. The Microfinance portfolio closed the year with an AUM of ₹ 4,635.54 Crores, demonstrating the Company's continued commitment to financial inclusion and responsible lending practices.

MSME Loans

The MSME business caters to micro, small, and medium enterprises engaged in manufacturing, trading, services, and agri-allied activities. The Company provides both secured and unsecured loans to support working capital requirements and business expansion.

Secured MSME loans are offered with ticket sizes up to ₹ 1.50 Million and are backed by mortgage of immovable property. Unsecured MSME loans are offered with ticket sizes up to ₹ 0.30 Million. Loan tenures range from one to seven years with repayment through periodic instalments.

As on March 31, 2025, the MSME business was serviced through 27 hybrid branches, with a customer base of 2,338 and an AUM of ₹ 36.68 Crores.

Loans against Gold

The Company commenced its Gold Loan business in FY21 as part of its strategy to build a diversified and secured lending portfolio. Under this product, customers avail loans by pledging gold ornaments as collateral, thereby reducing portfolio risk and enhancing asset quality.

As on March 31, 2026, the Gold Loan business operated through 520 branches, serving 1,91,491 customers with an AUM of ₹ 2,173.90 Crores. The continued growth of this portfolio has contributed significantly towards strengthening the Company's secured asset base.

Resource Mobilisation & Treasury Operations

The Company follows a prudent funding strategy based on an optimal mix of equity and debt while maintaining diversification across funding sources. It enjoys long-standing relationships with more than 54 lending institutions comprising banks, financial institutions, NBFCs, and overseas investors.

During FY26, the Company mobilised borrowings amounting to ₹ 3,791.20 Crores to support business operations and growth requirements.

The Funding mix of the company as on March 31, 2026, is given below:

Term Loan	73.53%
Non-convertible Debentures	14.85%
Securitisation	9.39%
Commercial Paper	2.23%
Total	**100%**

The diversified funding profile supports liquidity management, reduces concentration risk, and enhances financial flexibility.

Opportunities

Growing market size

The microfinance sector continues to present significant growth opportunities driven by increasing financial inclusion, rising credit demand from underserved segments, and expanding economic activity in rural and semi-urban markets. The Company's extensive geographic reach positions it well to capitalize on these opportunities.

Favourable demographics

India possesses one of the youngest populations globally, with a median age of approximately 28 years. Nearly 64% of the population falls within the working-age group of 15 to 59 years. This demographic advantage is expected to drive entrepreneurship, consumption, and demand for financial services, creating a favourable environment for the Company's lending businesses.

Urbanisation on the rise

Rapid urbanisation continues to act as a catalyst for economic growth through improved infrastructure, employment generation, higher incomes, and increased demand for financial products. The migration of populations towards urban and peri-urban centres creates new opportunities for expanding the Company's customer base and product offerings.

The Company aims to leverage these structural growth drivers while continuing its mission of providing accessible financial services to economically vulnerable and underserved communities.

Threats and Risks

The microfinance industry is exposed to various risks that may impact business performance and profitability. Key risks include dependence on information technology systems, reliance on the accuracy of information provided by borrowers, and operational risks arising from unauthorised transactions, fraud, misappropriation, and embezzlement during loan origination and collection activities.

In addition, macroeconomic uncertainties, regulatory changes, adverse climatic conditions affecting borrower livelihoods, competitive pressures, and deterioration in asset quality may adversely impact business growth and collections.

The Company continuously strengthens its risk management framework, internal controls, technology infrastructure, and governance practices to effectively mitigate these risks and ensure sustainable long-term growth.

Risk Management

Risk Management forms an integral part of the Company's governance framework and business strategy. The Company has established a comprehensive Enterprise Risk Management ("ERM") framework designed to identify, assess, monitor, mitigate and report risks that may adversely affect its business operations, financial performance, regulatory compliance, reputation and long-term sustainability.

As a lending institution operating in the microfinance sector, the Company is exposed to various financial and non-financial risks. The Company's risk management framework ensures that risks are identified at an early stage and are managed through appropriate controls, monitoring mechanisms and mitigation strategies. The framework promotes a strong risk culture across the organisation and facilitates informed decision-making while supporting sustainable growth.

The Company's Risk Management Department works closely with business units and senior management to ensure effective implementation of risk policies and controls. Regular training and awareness programmes are conducted for employees to strengthen risk management practices across the organisation.

The Company follows a structured Enterprise Risk Management framework covering all material risks associated with its operations. The framework facilitates proactive identification of emerging risks while maintaining a robust control environment. The Board of Directors, through various Committees, provides strategic oversight of the Company's risk profile and periodically reviews risk policies, limits and key risk indicators.

The Company's internal audit function adopts a risk-based approach supported by data analytics, technology-driven monitoring tools and field-level verification processes. To strengthen operational oversight, business operations are organised into Regions and Zones based on geographical spread, customer base, branch network and assets under management. Independent Risk, Compliance, Internal Audit and Secretarial functions operate centrally to ensure adherence to internal controls, regulatory requirements and governance standards.

The Company's risk governance structure is driven by the Board of Directors and supported by the Risk Management Committee, Asset Liability Management Committee (ALCO) and other management-level committees. The Chief Risk Officer is responsible for developing risk assessment standards, monitoring the effectiveness of risk controls, conducting risk reviews and reporting significant risk matters to senior management and the Board Committees.

The principal risks faced by the Company include credit risk, concentration risk, operational risk, liquidity risk, market risk, information technology risk, information security risk, regulatory and compliance risk, legal risk, reputation risk, cash management risk and collateral risk. Appropriate policies and procedures have been implemented to manage these risks and are reviewed periodically by senior management and approved by the Board.

The key risk areas identified by the Company are discussed below:

1. Credit Risk

Credit risk remains the most significant risk faced by the Company and arises from the possibility of borrowers failing to meet their contractual repayment obligations. Given the Company's focus on providing microfinance loans to women borrowers for income-generating activities, effective credit risk management is critical to maintaining portfolio quality and business sustainability.

The Company has established a robust credit appraisal framework that evaluates household income, repayment capacity, fixed obligation to income ratio (FOIR), existing indebtedness and cash flow generation capability before sanctioning loans. Credit bureau checks, field verification processes and technology-enabled assessment tools are utilised to evaluate borrower creditworthiness and repayment capacity.

The Company continuously strengthens its underwriting standards, portfolio monitoring mechanisms and early warning systems. Regular monitoring of delinquency trends, collection efficiency, borrower leverage levels and geographical concentrations enables timely identification of emerging credit risks and implementation of corrective measures.

Loan disbursements are predominantly cashless, thereby reducing operational and fraud-related risks and ensuring end-user verification. The collections process has also been digitised through mobile applications and electronic payment systems, enabling real-time monitoring and reconciliation of collections.

In respect of gold loans, which are secured by pledged gold jewellery, the Company maintains prudent lending standards and regulatory compliance, thereby minimizing credit risk exposure.

2. Concentration Risk

Concentration risk arises from excessive exposure to specific geographical regions, customer segments or markets that may be adversely impacted by localised economic, political, social or environmental developments.

To mitigate concentration risk, the Company follows prudent internal exposure norms. State-level exposure is maintained within prescribed limits based on demographic factors, market potential and risk assessments. Exposure at district level is also monitored and controlled to ensure adequate portfolio diversification. The Company additionally limits its exposure in relation to the estimated microfinance market size within individual states based on publicly available industry data.

Continuous monitoring of geographical concentrations enables the Company to maintain a well-diversified portfolio and reduce vulnerability to localised disruptions.

3. Operational Risk

Operational risk refers to the risk of loss arising from inadequate or failed internal processes, people, systems or external events.

The Company has implemented comprehensive policies, standard operating procedures and internal control mechanisms to manage operational risks. Key focus areas include fraud prevention, process compliance, customer service standards, data accuracy, cybersecurity, business continuity and disaster recovery preparedness.

A dedicated operations function oversees implementation of operational controls through technology-enabled platforms, management dashboards and periodic reviews. The Company maintains strong compliance mechanisms, including fraud monitoring and reporting systems.

To further mitigate operational risks, the Company maintains insurance coverage against fidelity losses, burglary, theft and other relevant operational exposures.

4. Liquidity Risk and Market Risk

Liquidity risk arises from the possibility that the Company may be unable to meet its financial obligations as they become due. Market risk includes risks arising from changes in interest rates and other market variables that may impact profitability and capital.

The Company maintains adequate liquidity buffers and diversified funding sources to support business operations and growth requirements. An Asset Liability Management Policy approved by the Board governs liquidity risk management.

The Asset Liability Management Committee (ALCO) meets regularly to review liquidity positions, funding requirements, interest rate exposures and asset-liability mismatches. The Committee undertakes stress testing and scenario analysis to evaluate the Company's resilience under adverse economic conditions and reports its findings to the Risk Management Committee.

5. Information Security and Technology Risk

With increasing digitalisation of business processes, information security and technology risk continue to receive significant management attention.

The Company has implemented robust information security controls, including access management protocols, cybersecurity monitoring systems, vulnerability assessments, periodic security audits and disaster recovery mechanisms to protect critical information assets and customer data.

The Information Technology Strategy Committee reviews information technology initiatives, cybersecurity preparedness and emerging technology risks on a periodic basis and provides strategic guidance to management.

6. Digital Personal Data Protection (DPDP) Compliance

The Company recognizes the importance of data privacy and protection. In compliance with the provisions of the Digital Personal Data Protection Act, 2023, the Company has appointed a Data Protection Officer (DPO) responsible for overseeing implementation of data privacy requirements, monitoring compliance obligations and strengthening data governance practices across the organisation.

The Company continues to enhance its data protection framework through appropriate policies, controls, employee awareness programmes and technology safeguards.

7. Regulatory and Compliance Risk

The Company operates in a highly regulated environment and is committed to maintaining the highest standards of regulatory compliance.

A structured compliance framework is in place to monitor adherence to applicable laws, regulations, RBI directions, SEBI requirements and other statutory obligations. Regular compliance reviews, policy updates, internal audits and employee training programmes are conducted to ensure timely implementation of regulatory changes.

The Company continues to comply with applicable regulatory requirements governing microfinance operations, gold loan lending norms, loan-to-value (LTV) requirements, anti-money laundering provisions and customer due diligence standards. Customers and branches are categorised into risk-based segments to facilitate appropriate monitoring and mitigation measures.

8. Reputation Risk

The Company recognizes reputation risk as a critical business risk that can significantly impact stakeholder confidence and long-term growth.

The Company seeks to mitigate reputation risk through responsible lending practices, customer-centric operations, ethical business conduct and adherence to regulatory requirements. A robust grievance redressal mechanism is in place to address customer concerns promptly and effectively.

Customer complaints are monitored, investigated and resolved within defined timelines based on the nature of the complaint. Complaint trends and customer service performance are periodically reviewed by management and reported to the Board.

The Company also conducts financial literacy and awareness programmes for borrowers and communities to promote responsible borrowing and strengthen stakeholder engagement.

9. Legal Risk

Legal risk arises from potential non-compliance with applicable laws, contractual obligations and legal proceedings.

The Company has established a dedicated legal function responsible for managing legal matters, litigation, documentation and regulatory requirements. Specialised teams oversee legal recovery processes and collection-related proceedings. External legal experts are engaged for significant contracts, complex transactions and specialised legal matters.

The Company continuously monitors legal and regulatory developments and undertakes necessary actions to ensure compliance with applicable laws and contractual obligations.

Risk Governance and Oversight

The Board of Directors, supported by the Risk Management Committee and other Board Committees, provides overall oversight of the Company's risk management framework. Risk policies, exposure limits and key risk indicators are reviewed periodically to ensure alignment with the Company's strategic objectives, risk appetite and regulatory requirements.

The Risk Management Department regularly presents portfolio trends, emerging risks, stress-testing results and mitigation strategies to senior management and the Board Committees to facilitate informed decision-making and effective governance.

Internal Control Systems

The Company maintains a strong internal control framework supported by risk-based audits, independent reviews and continuous monitoring mechanisms. Key Risk Indicators (KRIs), management information systems and early warning signals are regularly tracked to identify potential issues and facilitate timely corrective actions.

The internal control environment is periodically evaluated through internal audits, management reviews and independent assessments to ensure operational effectiveness and regulatory compliance.

Outlook

The Company remains committed to continuously strengthening its risk management capabilities through enhanced analytics, technology-driven monitoring systems, improved governance practices and a proactive risk culture. The Risk Management function will continue to support sustainable growth while safeguarding the interests of customers, employees, lenders, regulators and shareholders.

Internal Audit & Controls

Internal Audit and Control Framework

The Company has established a robust internal audit and control framework designed to continuously evaluate the adequacy and effectiveness of its internal systems, processes, and controls. This framework serves as a critical foundation for sustainable business growth and ensures adherence to established policies, regulatory compliance requirements, and internal operating guidelines. The Company maintains comprehensive and well-documented policies, procedures, and authorisation matrices that are commensurate with the scale and complexity of its operations.

Internal Audit Governance

The annual internal audit plan is formulated by management and approved by the Audit Committee. The audit program follows a risk-based approach, whereby branches and business functions are classified and prioritised based on their respective risk profiles. Areas requiring greater audit focus are identified through a comprehensive risk assessment process that evaluates both inherent business risks and control risks, resulting in the development of a risk matrix to guide audit coverage.

The Head of Internal Audit reports functionally to the Audit Committee and operationally to the Managing Director, ensuring independence while maintaining effective coordination with management. The internal audit function supports the Company in achieving its objectives by adopting a systematic and disciplined approach to evaluate and enhance the effectiveness of internal controls, risk management practices, and governance processes. The Company's internal audit framework is aligned with the Risk-Based Internal Audit (RBIA) principles prescribed by the Reserve Bank of India (RBI).

Audit Reporting and Follow-up

Internal audit reports, including those prepared by external audit firms engaged to support the internal audit function, are submitted to the Audit Committee on a quarterly basis. The internal audit team is responsible for monitoring the timely closure of audit observations and reporting overdue audit findings to senior management for appropriate action and resolution.

The internal audit function operates with strict accountability for maintaining confidentiality and safeguarding records and information. In addition to overseeing administrative and IT audits, the Head of Internal Audit supervises audits across the Company's lending businesses. Dedicated internal auditors are assigned to audit the Microfinance, Loan Against Gold (LAG), and MSME loan portfolios.

Audit Process for Microfinance Operations

The audit process for the Microfinance portfolio is comprehensive and includes:

- Centre visits and centre audits;
- Branch audits;
- Disbursement audits; and
- Delinquency verification exercises.

All microfinance branches are subject to audit at least once every month. Audit findings are communicated to the respective branch heads to facilitate timely corrective actions and strengthen operational controls.

Audit Process for Loan Against Gold Operations

Recognizing the elevated operational and custody risks associated with physical handling and storage of gold, the Company has implemented a rigorous audit and inspection framework for its Loan Against Gold business. Key audit activities include:

- Gold inventory verification and reconciliation;
- Verification of electronic and physical security systems;
- Monitoring through risk-based alerts generated based on predefined criteria; and
- Detailed review of documentation and operational processes.

The Company has developed comprehensive audit checklists and control procedures to ensure effective checks and balances across all stages of operations. Given the higher inherent risks in this business segment:

- Risk-based inspections and security audits are conducted every 45 days;
- Document audits are conducted every 90 days; and
- Full-course inspections are carried out based on branch risk classifications.

This structured audit framework enables the Company to proactively identify and mitigate risks while ensuring compliance with internal policies, regulatory requirements, and industry best practices.

Human Resources

At Asirvad, we recognize that our employees are the cornerstone of our long-term success. We are committed to building a highly engaged, capable, and motivated workforce by fostering a culture of continuous learning, career development, and employee retention.

Our people-centric approach is designed to create meaningful growth opportunities while ensuring strong alignment with the organisation's values, mission, and customer-centric philosophy.

Talent Acquisition and Career Development

We maintain a rigorous recruitment process across all levels of the organisation, supported by comprehensive background verification procedures to ensure the integrity and quality of our workforce. Upon joining, employees are provided with structured development opportunities that encourage long-term career progression within the organisation.

Asirvad strongly promotes internal talent development through a well-defined appraisal and promotion framework. Rather than relying extensively on lateral hiring, we prioritize nurturing talent from within by providing employees with clear, performance-based career pathways. All field-level employees begin their journey at entry-level positions and progress through structured advancement opportunities based on demonstrated performance, capability, and commitment. This approach strengthens employee engagement, improves retention, and helps cultivate a workforce deeply connected to the organisation's culture and values.

Our compensation and benefits programs are designed to remain competitive within the microfinance industry and are linked to both quantitative and qualitative performance indicators. Through a goal-oriented work environment and robust incentive mechanisms, we encourage employees to deliver superior customer service, build lasting client relationships, enhance operational efficiency, and contribute to sustainable business growth.

Performance Management and Employee Engagement

To support continuous improvement and accountability, Asirvad has established a structured performance review and feedback system that enables employees to understand their strengths and identify development opportunities. Performance-based rewards and incentives are aligned with individual achievements and prevailing market practices, reinforcing a culture of meritocracy and excellence.

We remain committed to maintaining a positive, collaborative, and inclusive workplace environment. During the year, the Company continued to enjoy harmonious employee relations and did not experience any significant workforce-related issues.

Promoting Local Employment and Inclusive Growth

As part of our commitment to community development and financial inclusion, we prioritize hiring Field Development Assistants from local communities.

This approach supports grassroots employment generation while ensuring employees possess a strong understanding of local geographies and customer needs.

New recruits undergo extensive in-house training tailored to the specific operational requirements of their assigned regions. Other field-level positions are primarily filled through internal transfers, job rotations, and promotions, providing employees with enhanced career mobility while strengthening organisational capability. Through this model, Asirvad contributes meaningfully to rural employment generation and economic inclusion across the communities it serves.

Comprehensive induction programmes, delivered through both classroom and digital platforms, equip employees with knowledge of organizational policies, operational processes, regulatory requirements, industry practices, and essential behavioral and soft skills.

As of March 31, 2026, Asirvad employed a workforce of 13,300 employees across India.

Training and Development

Employee development remains a strategic priority at Asirvad and is supported by a robust learning ecosystem designed to foster continuous learning, capability enhancement, and professional growth.

The Company follows a blended learning model, with approximately 70% of training delivered through instructor-led classroom programmes and 30% through Virtual Instructor-Led Training (VILT) and e-learning platforms. This balanced approach combines experiential learning with the flexibility and accessibility of digital education, enabling employees to learn effectively regardless of location.

A dedicated training infrastructure, led by Regional Training Managers and supported through Regional Training Centres, ensures consistent and localised delivery of learning interventions across operational geographies. This decentralised approach allows training programmes to be tailored to regional requirements while maintaining uniform standards across the organisation.

The Asirvad Digital Learning Hub (ADLH) serves as a comprehensive digital learning platform, providing employees with access to a wide range of learning resources, including e-learning modules, virtual training sessions, instructional videos, assessments, digital libraries, books, and study materials. The platform supports self-paced learning and encourages employees to take ownership of their professional development.

During the year, particular focus was placed on strengthening the onboarding experience through a structured induction programme aimed at facilitating the seamless integration of new employees into the organisation. The programme is designed to accelerate role readiness, build organisational awareness, and equip employees with the knowledge and skills required to perform effectively from the outset.

Through these initiatives, Asirvad continues to invest in building a future-ready workforce capable of delivering sustained value to customers, communities, and stakeholders.

Board's Report

To,
The Members
Asirvad Micro Finance Limited
Valapad, Thrissur

Dear Members,

Your Board of Directors have immense pleasure in presenting the 19th Annual Report of the Board of Directors of Asirvad Micro Finance Limited ("the Company"), together with the Audited Financial Statements for the financial year ended March 31, 2026.

1. FINANCIAL HIGHLIGHTS

The financial statements of the Company for the financial year ended March 31, 2026 have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III to the Act, as amended from time to time and applicable guidelines issued by Securities and Exchange Board of India (SEBI).

(₹ in Crores)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from Operations	1506.03	2716.92
Add: Other income	2.49	17.47
Total Income	1,508.52	2,734.39
Total Expenditure	2,344.30	3,545.40
Profit/ Loss before finance cost, depreciation and tax	(158.64)	280.45
Less: Finance costs	609.21	1034.26
Profit/Loss before depreciation and tax	(767.86)	(753.80)
Less: Depreciation and amortisation expenses	67.91	57.20
Profit/Loss before Tax	(835.77)	(811.01)
Less: Tax Expenses net of Deferred tax	(256.71)	(172.29)
Profit/Loss after Tax	(579.05)	(638.72)
Basic Earnings Per Share (EPS) (in ₹)	-0.20	-0.31
Diluted Earnings Per Share (DPS) (in ₹)	-0.20	-0.31
Appropriations:		
Transfer to Statutory Reserve	-	-
Surplus in Profit & Loss	(320.82)	258.24

2. STATE OF AFFAIRS OF THE COMPANY

During FY 2025-26, the Company recorded Gross Income of ₹ 1,508.52 Crores as compared to ₹ 2,734.39 Crores in the previous year. The Company reported a loss after tax of ₹ 579.05 Crores as against loss after tax of ₹ 638.72 Crores in previous FY. The Company's operations continue to be focused on Micro Finance, Gold Loans and MSME lending across various states and union territories in India.

The Company demonstrated a significant operational and financial turnaround in Q4 FY26, moving back to profitability after a challenging fiscal year. The quarter was characterized by strengthened income metrics, a drastic reduction in provisioning, and improved collection efficiencies across the portfolio. The Financial highlights are detailed below:

- **Profitability Turnaround:** The Company reported a Profit After Tax (PAT) of ₹ 13.1 Crores in Q4 FY26, marking a significant turnaround from the ₹ 156 Crores loss recorded in Q3 FY26 and reflecting a 108.4% quarter-on-quarter improvement (Q-o-Q). The Company reported a PAT of (₹579.06 Cr) for the FY 26..

- **Income Growth:** Net Total Income for the Q4 FY26 was ₹ 232.1 Crores, representing an 11.92% increase Q-o-Q. Net Interest Income (NII) also showed growth, rising to ₹ 167.56 Crores (8.66% Q-o-Q).

- **Operating Performance:** Pre-provision Operating Profit (PPOP) saw a robust increase of 103.58% Q-o-Q, reaching ₹ 49.93 Crores.

- **Provisions:** One of the key drivers of the improved bottom line was the significant reduction in provisions, which fell to ₹ 9 Crores in Q4 FY26 from ₹ 249.1 Crores in Q3 FY26, a decrease of 96.39%.

- **One-time/Specific Gains:** Loss Asset Recovered figures were notable, including a valuation of ₹ 25.67 Crores received from the Asset Reconstruction Company (ARC) for write-off loans.

Business Performance & Asset Quality

- **AUM:** The consolidated Assets Under Management (AUM) for the FY26 stood at ₹ 6,828 Crores. Segment-wise, MFI AUM was ₹ 4,635 Crores, GL AUM was ₹ 2,174 Crores, and MSME AUM was ₹ 19 Crores.

- **Yield & NIM:** The company maintained a yield of 21.0% and a Net Interest Margin (NIM) of 11.4% during the FY26.

- **Asset Quality:** As of Q4 FY26, the company recorded a Gross NPA of 4.85% and a Net NPA of 1.60%, showing improvement over Q3 levels (4.92%/ 1.77%).

- **Collection Efficiency:** Consolidated collection efficiency improved steadily to 77.76% in Q4 FY26, compared to 73.75% in Q3 FY 26.

- The "New Book" (loans disbursed from Jan 1, 2025) demonstrated strong asset quality, with X-bucket collection efficiency reaching 99.83% in Q4 FY 26.

- **Gold loan segment:** The Gold Loan business maintained its strong growth momentum, recording AUM growth of ₹ 564 Crores in Q4 FY26 and ₹ 1,246 Crores for FY26. Net Interest Income for the Gold Loan segment was ₹ 77.30 Crores in Q4 FY26.

- **MSME Segment:** AUM stood at ₹ 19 Crores.

While FY26 was marked by headwinds including a net loss of ₹ 579.06 Crores and significant provisioning, the Q4 performance highlights successful efforts in stabilizing operations and improving margins. The reduction in interest expense (₹ 609.2 Crores in FY26 Vs ₹ 1,034.3 Crores in FY25) and the strategic focus on managing the "New Book" portfolio indicate a shift toward more sustainable credit underwriting norms as the company exits the Financial year.

OPERATIONAL HIGHLIGHTS

MFI division

Particulars	FY 2026	FY 2025	Change (%)
Number of Pure Branches	1245*	1,248	-0.24%
Number of Active Members	29,37,458	34,92,160	-15.88%
Gross Loan Portfolio (in Crore)	4,635.54	7,206.65	-35.68%
Total Disbursement (in Crore)	2,870.45	4,583	-37.37%
No. of States (in Operation including UTs)	25	25	0.00%

** Additionally, MFI business is also done through 322 hybrid branches (302 Gold Loan branches, 18 MSME Loan branches, and 2 branches offering MFI, MSME, and Gold Loan services).*

Gold Loan division

Particulars	FY 2026	FY 2025	Change (%)
Number of Branches	520*	520	0%
Gross Loan Portfolio (in Crore)	2,173.90	928.38	134%
Total Disbursement (in Crore)**	10,106.68	10,877	-7%
No. of States (In Operation including UTs)	15	15	0%

** The total number of Gold Loan branches includes 302 hybrid branches (302 MFI)*

*** Including re-pledge*

MSME division

Particulars	FY 2026	FY 2025	Change (%)
Number of Branches	23*	27	-14.81%
AUM (in Crore)	18.92	53.76	-64.81%
No. of States (in Operation)	9	9	0%

** Out of the 23 MSME branches, all 23 branches operate as hybrid branches, comprising 18 MFI branches and 5 Gold Loan branches.*

There was no change in nature of operations of the Company during the FY26 under review.

3. DIVIDEND

In view of the losses incurred during the year under review and to conserve resources, the Board has not recommended any dividend for FY 2025-26.

4. TRANSFER TO RESERVE

Since the Company has incurred a loss during the reporting year, no amount has been transferred to Statutory Reserve under Section 45-IC of the RBI Act, 1934.

5. DEBENTURE REDEMPTION RESERVE

Pursuant to the notification issued by the Ministry of Corporate Affairs (MCA) dated August 16, 2019, amending Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, the requirements relating to the creation and maintenance of Debenture Redemption Reserve (DRR) and investment of specified amounts in respect of debentures have been revised. In accordance with the amended provisions, Non-Banking Financial Companies (NBFCs) registered with the Reserve Bank of India (RBI) under Section 45-IA of the Reserve Bank of India Act, 1934, and issuing debentures on a private placement basis, are exempt from the requirement of creating and maintaining a DRR.

The Company, being a NBFC registered with the RBI and having issued debentures through private placement basis, is not required to create or maintain a DRR during the financial year under review. Accordingly, no amount was transferred to DRR Account.

6. SHARE CAPITAL

a) Authorised Share Capital:

The Authorised Share Capital of the Company at the beginning of the FY26 was ₹ 300 Crore (Rupees Three Hundred Crore only), divided into 30 Crore (Thirty Crore) Equity Shares of ₹ 10/- each. Pursuant to the approval of the shareholders at the Extraordinary General Meeting held on September 10, 2025, the Authorised Share Capital of the Company was increased from ₹ 300 Crore (Rupees Three Hundred Crore only) to ₹ 600 Crore (Rupees Six Hundred Crore only), divided into 60 Crore (Sixty Crore) Equity Shares of ₹ 10/- each.

Accordingly, as at the end of the year under review, the Authorised Share Capital of the Company stood at ₹ 600 Crore (Rupees Six Hundred Crore only), divided into 60 Crore (Sixty Crore) Equity Shares of ₹ 10/- each.

b) Issued, Subscribed and Paid-up Share Capital:

As on March 31, 2026, the Issued, Subscribed and Paid-up Share Capital of the Company was ₹ 332.63 Crore comprising of 33.26 Crore fully Paid-up Equity Shares of face value ₹ 10/- each.

During the Financial Year under review, the Company successfully strengthened its financial position and capital base through strategic equity infusion as mentioned:

- On June 6, 2025, the Company strengthened its Equity Share Capital through a Rights Issue by allotting 8,33,33,333 Equity Shares of face value ₹10 each at an issue price of ₹60 per share, aggregating to ₹499.99 crore.
- On December 29, 2025, the Company further augmented its Equity Share Capital through the allotment of 4,90,19,607 Equity Shares of face value ₹ 10 each at an issue price of ₹51 per share, raising an aggregate amount of ₹249.99 crore.
- Subsequent to the close of the FY26, on April 10, 2026, the Company undertook another Rights Issue as part of its ongoing capital augmentation initiatives. Under this issue, the Company allotted 17,96,79,659 Equity Shares of face value ₹ 10 each at an issue price of ₹ 44 per share, raising an aggregate amount of approximately ₹ 790.59 Crores. The primary objective of this capital raise was to further strengthen the Company's Tier I capital base, maintain regulatory capital adequacy requirements, and provide a robust financial foundation to support future business growth and strategic opportunities.

There was no re-classification or sub-division of the Authorised Share Capital, reduction of share capital, buy-back of shares, change in the capital structure resulting from restructuring, or change in voting rights in respect of any class of the share capital of the company during the FY26.

c) Capital Adequacy

Your Company, being classified as a Middle Layer Non-Banking Financial Company (NBFC-ML) under the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, is required to comply with the capital adequacy norms prescribed by the Reserve Bank of India. In accordance with the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025, as amended from time to time, the Company is required to maintain a minimum Capital to Risk-Weighted Assets Ratio (CRAR) of 15% based on its total capital and risk-weighted assets.

As on March 31, 2026, the Company's Capital Adequacy Ratio (CAR) stood at 20.20%, which is above the regulatory minimum requirement of 15%. The composition of the Company's CAR is as follows:

Particulars	As on March 31, 2026
Tier I Capital Ratio	16.38%
Tier II Capital Ratio	3.82%
Total Capital Adequacy Ratio (CAR)	20.20%
Minimum Regulatory Requirement	15.00%

The Company has maintained adequate capital buffers throughout the year and continues to remain compliant with the applicable regulatory capital adequacy requirements prescribed by the RBI.

d) Transfer to Investor Education and Protection Fund

Pursuant to the provisions of Section 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, companies are required to transfer unpaid or unclaimed amounts and corresponding shares to the Investor Education and Protection Fund (IEPF) after the expiry of the prescribed period. During the financial year under review, there were no amounts which were required to be transferred to the IEPF. Accordingly, no transfer was made by the Company to the IEPF during the year.

7. RESOURCES AND FUND MOBILISATION

As a NBFC, mobilization of resources at an optimal cost and deployment of such resources in a prudent, profitable and secure manner remain critical to the Company's business operations and growth strategy. The Company continues to focus on maintaining a diversified and sustainable funding profile through a mix of borrowings from banks, financial institutions, non-convertible debentures, securitization transactions, assignment of receivables and other permissible funding avenues. The management continuously evaluates market opportunities and funding alternatives to ensure adequate liquidity and financial flexibility.

During the FY26, the Company maintained satisfactory relationships with its lending partners and continued to strengthen its resource base to support its expanding lending operations. The Company has adequate liquidity management systems and robust treasury practices to ensure timely availability of funds for business requirements while maintaining compliance with all applicable regulatory norms.

Your directors are confident that the Company will continue to have access to sufficient financial resources to meet its operational requirements and support its future growth plans. The Company remains committed to prudent asset-liability management and sustainable expansion while maintaining a strong focus on risk management and capital adequacy.

Total Borrowings

The total borrowings of the Company as on March 31, 2026, stood at ₹ 5,825.62 Crores as against ₹ 6,938.20 Crores in the previous financial year. The Company continued to maintain a diversified borrowing profile comprising Non-Convertible Debentures, Subordinated Debt, Commercial Paper, External Commercial Borrowings and borrowings from banks and financial institutions to support its business operations and growth requirements.

i) Non-Convertible Debentures (Excluding subordinated debt)

During the financial year under review, your Company raised an aggregate amount of ₹ 295 Crores through issuance of Secured/ unsecured Non-Convertible Debentures (NCDs) on private placement basis in accordance with the applicable provisions of the Act, the rules made thereunder and other applicable regulatory requirements. The proceeds of the issue were utilized for the business purposes of the Company. The outstanding amount of NCDs as on March 31, 2026, stood at ₹ 295 Crores.

ii) Subordinated Debt

During the reporting year, your company did not raise any funds through issuance of Subordinated Debt on a private placement basis and the outstanding Subordinated Debt as on March 31, 2026, was ₹ 630 Crores. The subordinated debt continues to support the Company's capital structure and contributes towards regulatory capital requirements in accordance with applicable regulations.

iii) Commercial Paper

During the reporting year, the Company raised ₹ 138.74 Crore through the issuance of Commercial Paper. Commercial Paper continued to serve as a short-term funding instrument enabling the Company to efficiently manage its working capital and liquidity requirements. The outstanding Commercial Paper as on March 31, 2026, was ₹ 138.74 Crores.

iv) External Commercial Borrowings

During the reporting year, the Company did not raise any funds through External Commercial Borrowings (ECB). The outstanding ECB as on March 31, 2026, stood at ₹ 44.46 Crores. The Company remains compliant with the applicable RBI guidelines and regulations governing ECB.

The Company continues to maintain a prudent borrowing strategy with an appropriate mix of funding sources, enabling it to support business growth while maintaining adequate liquidity and financial flexibility.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company comprises eminent professionals with diverse experience and expertise in finance, banking, business management, risk management, governance and regulatory matters. The Board provides strategic direction and oversight to the Company's operations while ensuring adherence to the highest standards of corporate governance.

As on March 31, 2026, the Board consisted of nine (9) Directors, all of whom were Non- Executive Directors comprising of six (6) Independent Directors including one Woman Independent Director. The Board believes that its diverse composition, collective expertise and extensive industry experience contribute significantly to effective decision-making, sound governance practices and sustainable value creation for all stakeholders. The composition of the Board is in compliance with the requirements of the Act and the applicable guidelines issued by the Reserve Bank of India ("RBI").

Composition and Category of Directors as on March 31, 2026:

Name of Director	Director Since	DIN	Category and Designation	No of Shares held
Mr. V P Nandakumar	12.02.2015	00044512	Promoter, Non- Executive, Non-Independent Director (Chairman)	7,78,209
Mr. Abhijit Sen	17.03.2020	00002593	Non- Executive, Independent Director	-
Mr. D R Dogra	09.09.2016	00226775	Non- Executive, Independent Director	89,472
Mr. Gautam Saigal	18.03.2015	00640229	Non- Executive, Non-Independent Director	1,54,005
Mr. Harshan Kollara	07.08.2021	01519810	Non- Executive, Independent Director	-
Ms. Pushya Sitaraman	02.02.2019	06537196	Non- Executive, Independent Director	-
Mr. S K Mitra	17.03.2020	00029961	Non- Executive, Independent Director	-
Mr. S V Raja Vaidyanathan	29.08.2007	01467098	Non- Executive, Non-Independent Director	33,59,202
Mr. T Balakrishnan	15.05.2018	00052922	Non- Executive, Independent Director	-

Details of change in composition of the Board during the current FY

Name of the Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter /Nominee/ Independent)	Nature of change (Resignation, Appointment)	Effective Date
Mr. B N Raveendra Babu (DIN: 00043622)	Executive, Non-Independent, Managing Director	Retired from the position of MD on completion of his term	June 02, 2025
Ms. Anita Belani (DIN: 01532511)	Independent & Non-Executive Director	Resignation*	October 09, 2025

**Ms. Anita Belani, Independent Director of the Company has resigned from the Board due to personal reasons with effect from October 09, 2025, and there were no material reasons for her resignation other than those provided.*

In the opinion of the Board, all Independent Directors possess the requisite integrity, expertise, experience and proficiency required to effectively discharge their duties and responsibilities. The Independent Directors fulfil the conditions of independence prescribed under the Act, the Rules made thereunder. Further, all the Independent Directors are registered in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs (IICA) in compliance with Section 150 of the Act and have either successfully passed the online proficiency self-assessment test or are exempt from the requirement thereof as per applicable provisions.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2026, are:

- Mr. Manoj Gerard David Pasangha, Chief Executive Officer;
- Dr. Roy Varghese, Chief Executive Officer;
- Mr. Rajesh KRN Namboodiripad, Chief Financial Officer; and
- Mr. Mithun B Shenoy, Company Secretary and Compliance Officer.

i. Changes in Directors and Key Managerial Personnel (KMP)

During the Financial Year under review, the following changes took place in the composition of the Board and Key Managerial Personnel:

- Mr. B. N. Raveendra Babu ceased to be the Managing Director of the Company with effect from June 02, 2025, upon completion of his tenure. The Board placed on record its sincere appreciation for his valuable contribution and dedicated services rendered to the Company during his tenure.
- Ms. Anita Belani, Non-Executive Independent Director on Board of the Company, resigned from the Board with effect from October 09, 2025, citing personal reasons. The Board placed on record its appreciation for her valuable contributions to the Company during her tenure.
- Mr. Manoj Gerard David Pasangha was appointed as the Chief Executive Officer (CEO) effective from October 13, 2025.
- Ms. Aparna Menon resigned from the position of Company Secretary and Compliance Officer with effect from February 28, 2026. The Board expressed its appreciation for her contribution and services rendered during her association with the Company.
- Mr. Mithun B. Shenoy was appointed as the Company Secretary and Compliance Officer of the Company with effect from March 01, 2026.

ii. Director Retiring by Rotation

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. V. P. Nandakumar (DIN: 00044512), Director of the

Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment. The Board of Directors, at its meeting held on April 30, 2026, considered his re-appointment and recommended the same for approval of the Members at the ensuing Annual General Meeting.

iii. Declaration From Independent Directors

Your Company has received necessary declarations from all Independent Directors of the Company confirming that they meet criteria as mentioned in Section 149 of the Act. The Board has taken on record these declarations and is satisfied that all the Independent Directors continue to fulfil the conditions specified under the applicable statutory and regulatory requirements and remain independent of the management. Your Company has also received the requisite declarations and undertaking and declaration from all directors confirming compliance with the fit and proper criteria prescribed under the Master Direction- Reserve Bank of India (Non-Banking Financial Companies- Governance) Directions, 2025.

iv. Compensation Policy for Directors, KMPs and Senior Management Personnel:

Pursuant to the provisions of Section 178 of the Act, relevant provisions if any of the Listing Regulations and the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 dated November 28, 2025, as amended from time to time, a Compensation Policy for Directors, KMPs and Senior Management has been formulated inter-alia, remuneration to Executive Directors, Non-executive Directors including Independent Directors and other matters as provided under the said Section.

The Policy lays down the criteria for appointment, qualifications, positive attributes, independence of Directors, remuneration of Directors, Key Managerial Personnel and Senior Management Personnel and other related matters. It seeks to attract, retain and motivate competent personnel and aligns remuneration practices with the long-term interests of the Company. Additionally, it enumerates the practices and procedures to be followed by the Company in adopting the remuneration payable to its Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel. The policy can be viewed at https://asirvadmicrofinance.co.in/wp-content/uploads/2026/04/Nomination-Remuneration-Policy.pdf.

Details of remuneration for Directors in FY26 are provided below:

Name	Commission	Sitting Fees	Total Compensation	Equity Shares held
Mr. V.P Nandakumar	Nil	Nil	Nil	778,209
Mr. Abhijit Sen	1,400,000	945,000	2,345,000	Nil
Mr. D.R Dogra	1,950,000	927,000	2,877,000	340,000
Mr. Gautam Saigal	1,750,000	981,000	2,731,000	154,005
Mr. Harshan Kollara	1,750,000	957,000	2,707,000	Nil
Ms. Pushya Sitaraman	1,750,000	795,000	2,545,000	Nil
Mr. S. K. Mitra	1,750,000	670,000	2,420,000	Nil

v. Annual Performance Evaluation

Pursuant to the provisions of the Act and the applicable regulatory requirements, the Board has adopted a framework and criteria for evaluating the performance of the Board, its committees and individual Directors. The criteria for evaluation are reviewed and placed before the Nomination and Remuneration Committee and the Board on an annual basis. In accordance with the approved framework, the annual performance evaluation of the Board, its Committees, the Chairman and individual Directors were carried out during the financial year. The evaluation process was structured to assess various aspects including composition, effectiveness, governance practices, participation, strategic oversight and contribution to the Company's growth and risk management framework. The Board expressed satisfaction with the effectiveness of its functioning and that of its committees and individual Directors.

vi. Independent Director's Meeting

Pursuant to the provisions of Schedule IV to the Act and applicable regulatory requirements, a separate meeting of the Independent Directors was held on March 06, 2026, without the presence of Non-Independent Directors and members of the management. During the meeting, the Independent Directors, inter alia, reviewed the performance of the Non-Independent Directors and the Board as a whole, evaluated the performance of the Chairperson of the Company, assessed the quality, quantity and timeliness of the flow of information between the management and the Board, and discussed such other matters as are required under Schedule IV of the Act.

The Independent Directors expressed satisfaction with the performance of the Board, its committees and the management and acknowledged the Company's commitment to maintaining high standards of corporate governance and transparency.

vii. Meetings of the Board of Directors

During the Financial Year 2025-26, the Board of Directors met thirteen (13) times. The intervening gap between any two Board Meetings did not exceed one hundred and twenty days, in compliance with the provisions of the Act and applicable regulatory requirements.

Details of attendance of Directors at the Board Meetings held during the year are provided hereunder.

Name of the Director	Last AGM held on Aug 12, 2025	Date of Board Meeting held during the FY 2025-26													
		07/04	06/05	27/05	06/06	02/08	08/09	24/09	*30/09	25/10	12/12	29/12	23/01	18/02	27/03
Mr. V P Nandakumar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. D R Dogra	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Abhijit Sen	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Gautam Saigal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Harshan Kollara	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. S V Raja Vaidyanathan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. T Balakrishnan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Pushya Sitaraman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. S K Mitra	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. B N Raveendra babu**	NA	✓	✓	✓	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Ms. Anita Belani***	✓	✓	✓	✗	✓	✓	✓	✓	✓	NA	NA	NA	NA	NA	NA

** Adjourned meeting of September 24, 2025*

*** Mr. B.N Raveendra Babu has retired from the company and not associated with the company w.e.f. June 02, 2025*

**** Ms. Anita Belani, Independent Director of the Company has resigned from the Board due to personal reasons with effect from October 09, 2025, and there were no material reasons for her resignation other than those provided.*

During the financial year ended March 31, 2026, the Company convened two (2) Extraordinary General Meetings of its Members, which were held on September 10, 2025, and February 18, 2026, respectively.

viii. Composition of Board Committees

To ensure focused governance and effective oversight of specific areas of operations, the Board has constituted various Committees in accordance with the provisions of the Act, RBI Directions and other applicable laws. The Committees function within their respective terms of reference approved by the Board and provide recommendations on matters delegated to them. The composition of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship and Customer Service Committee, Risk Management Committee, Corporate Social Responsibility Committee, IT Strategy Committee, Borrowing and Securities Allotment Committee, and Management Committee is detailed below.

The details of the Board Committees and its functioning during the financial year 2025-26 are provided below:

a) Audit Committee

The Audit Committee assists the Board in overseeing the integrity of financial reporting, adequacy of internal financial controls, risk management processes, statutory and internal audit functions and compliance with applicable laws and regulations.

The Committee met six (6) times on the following dates during the FY26 on May 05, 2025, June 27, 2025 (Adjourned meeting May 05, 2025), July 30, 2025, September 23, 2025 (Adjourned meeting of July 30, 2025), October 23, 2025, November 24, 2025, December 18, 2025 (Adjourned meeting of October 23, 2025), January 21, 2026, and March 11, 2026. The Composition and the attendance of the members of Audit Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY26	Committee Designation
Mr. D R Dogra	February 01, 2017	6	Chairman
Mr. Abhijit Sen	March 17, 2020	6	Member
Mr. Gautam Saigal	May 12, 2015	6	Member
Mr. Harshan Kollara	November 12, 2021	6	Member
Mr. S V Raja Vaidyanathan	July 01, 2021	4	Member
Mr. T Balakrishnan	May 15, 2018	6	Member

b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for formulating criteria relating to appointment, remuneration, performance evaluation and succession planning of Directors, Key Managerial Personnel and Senior Management Personnel.

The Nomination and Remuneration Committee met five (5) times on the following dates during the FY26: April 23, 2025, July 24, 2025, September 23, 2025, October 15, 2025, and January 13, 2026. The Composition and the attendance of members of Nomination and Remuneration Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY 2025-26	Committee Designation
Mr. T Balakrishnan	May 15, 2018	5	Chairman
Mr. Gautam Saigal	March 04, 2016	5	Member
Mr. Harshan Kollara	December 01, 2023	5	Member
Ms. Pushya Sitaraman	May 30, 2020	5	Member
Ms. Anita Belani*	May 09,2023 – October 09,2025	3	Member

**Ms. Anita Belani was member of the Committee until the closing of business hours on October 09, 2025, and attended 3 meetings of the Committee during the FY26.*

c) Stakeholders Relationship and Customer Service Committee

The Stakeholders' Relationship and Customer Service Committee oversees investor relations, redressal of stakeholder grievances and customer service-related matters. During the FY26, the Stakeholder Relationship and Customer Service Committee met four (4) times on the following dates: April 26, 2025, July 16, 2025, October 16, 2025, and January 17, 2026. The Composition and the attendance of members of Stakeholder Relationship and Customer Service Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY26	Committee Designation
Mr. Harshan Kollara	March 23, 2023	4	Chairman
Ms. Pushya Sitaraman	May 24, 2021	3	Member
Mr. S K Mitra	May 24, 2021	4	Member
Mr. B N Raveendra Babu*	May 24, 2021- June 01, 2025	1	Member

**Mr. B N Raveendra Babu was member of the Committee until the closing of business hours on June 01, 2025, and attended one meeting of the Committee during the financial year 2025-26*

No complaints were received from the security holders during the FY26.

Name, designation and address of Compliance Officer:

CS. Mithun B Shenoy
Company Secretary & Compliance Officer

Asirvad Micro Finance Limited,
Ceebros Manjula, 3rd Floor, Office No. 1,
New No.39, Old No.45, Montieth Road, Egmore,
Opp: Indian Red Cross Society, Chennai, Tamil Nadu – 600008
Ph: 9345960647 | Email ID: sec@asirvad.in

d) Risk Management Committee

The risk management framework is an important parameter that defines the success of a financial services organization. A risk management program establishes a process of identifying and assessing the major risks covering all areas of the institution's activities. The Board of Directors is responsible to ensure that management has implemented a risk management program, that resources are allocated for risk management and internal controls, and that there is adequate oversight of the audit function as one of the Board of Director's responsibilities. The Board has constituted Risk Management Committee to ensure proper management of risk in the Company.

The Risk Management Committee met four (4) times on following dates during the FY26: April 30, 2025, May 03, 2025 (Adjourned meeting of April 30, 2025), July 23, 2025, October 18, 2025, and January 16, 2026. The Composition and the attendance of members of Risk Management Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY26	Committee Designation
Mr. Gautam Saigal	March 04, 2016	4	Chairman
Mr. Abhijit Sen	March 17, 2020	4	Member
Mr. D R Dogra	September 09, 2016	4	Member
Mr. S V Raja Vaidyanathan	November 06, 2014	2	Member
Mr. B N Raveendra Babu*	May 30,2024- June 01, 2025	-	Member
Ms. Anita Belani**	May 09, 2025- October 09, 2025	2	Member
Mr. Sundararaj S (Chief Risk Officer)	November 01, 2024	4	Permanent Invitee

**Mr. B N Raveendra Babu was member of the Committee until the closing of business hours on June 01, 2025, and not attended meetings of the Committee during the FY26.*

***Ms. Anita Belani was member of the Committee until the closing of business hours on October 09, 2025, and attended 2 meetings of the Committee during the FY26.*

e) Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Act read with Rules made thereunder, the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee. The Corporate Social Responsibility ("CSR") Committee is responsible for formulating and recommending the CSR Policy, monitoring CSR programmes and recommending CSR expenditure in accordance with the Act. The Committee has framed a transparent monitoring mechanism for implementation of CSR projects or programs as per the Annual Action Plan of the Company and monitors CSR policy from time to time.

The CSR Committee met three (3) times on below mentioned dates during the FY26: April 28, 2025, July 26, 2025, and October 15, 2025. The Composition and the attendance of members of CSR Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY26	Committee Designation
Ms. Pushya Sitaraman	May 13, 2019	3	Chairperson
Mr. D R Dogra	July 01, 2021	3	Member
Mr. T Balakrishnan	July 01, 2021	3	Member
Mr. B N Raveendra Babu*	February 01, 2017- June 01, 2025	-	Member

** Mr. B N Raveendra Babu was member of the Committee until the closing of business hours on June 01, 2025, and not attended meetings of the Committee during the FY26.*

f) IT Strategy Committee

The IT Strategy Committee has been constituted in accordance with applicable RBI directions to oversee information technology governance, cybersecurity framework, digital transformation initiatives, technology risks and IT strategy implementation.

During the FY26, the IT Strategy Committee met four (4) times on the following dates: April 26, 2025, July 16, 2025, October 16, 2025, and January 14, 2026. The Composition and the attendance of members of IT Strategy Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY26	Committee Designation
Mr. S K Mitra	March 17, 2020	4	Chairperson
Mr. Abhijit Sen	July 01, 2021	4	Member
Mr. S V Raja Vaidyanathan	November 04, 2017	4	Member
Mr. B N Raveendra Babu*	May 13, 2019- June 01, 2025	-	Member
Mr. Ajith U**	February 12, 2025	1	Permanent Invitee

** Mr. B N Raveendra Babu was member of the Committee until the closing of business hours on June 01, 2025, and not attended meetings of the Committee during the FY26.*

***Non board member, Permanent Invitee*

g) Borrowing and Securities Allotment Committee

The Borrowing and Securities Allotment Committee is empowered to consider and approve borrowing proposals, securities issuances and related matters within the limits approved by the Board and shareholders.

The Borrowing and Securities Allotment Committee met Forty Three (43) times on the following dates during the FY26: May 15, 2025, May 26, 2025, May 29, 2025, July 07, 2025, July 26, 2025, August 06, 2025, August 12, 2025, August 19, 2025, August 26, 2025, August 29, 2025, September 01, 2025, September 10, 2025, September 18, 2025, September 19, 2025, September 27, 2025, October 07, 2025, October 09, 2025, October 14, 2025, October 21, 2025, October 28, 2025, October 30, 2025, October 31, 2025, November 27, 2025, December 09, 2025, December 19, 2025, December 24, 2025, December 26, 2025, December 30, 2025, December 31, 2025, January 22, 2026, January 28, 2026, January 31, 2026, February 04, 2026, February 11, 2026, February 17, 2026, February 24, 2026, February 27, 2026, February 28, 2026, March 14, 2026, March 20, 2026, March 26, 2026, March 27, 2026 and March 30, 2026. The Composition and the attendance of members of Borrowing and Securities Allotment Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY26	Committee Designation
Mr. S V Raja Vaidyanathan	April 25, 2009	43	Chairperson
Mr. T Balakrishnan	February 05, 2024	43	Member
Mr. V P Nandakumar	February 19, 2015	43	Member
Mr. B N Raveendra Babu*	February 19, 2015- June 01, 2025	3	Chairperson*

** Mr. B N Raveendra Babu was Chairperson of the Committee until the closing of business hours on June 01, 2025, and attended 3 meetings of the Committee during the FY26. Further, the committee was reconstituted, and Mr. S V Raja Vaidyanathan became the Chairperson of the Committee.*

h) Management Committee

The Management Committee assists the Board in overseeing operational matters and strategic initiatives and provides guidance on key business functions of the Company. During the Financial Year, the said Committee met two (2) times i.e., on June 26, 2025, and October 07, 2025. Further, The Composition and the attendance of members of Management Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY26	Committee Designation
Mr. V P Nandakumar	July 01, 2021	2	Chairperson
Mr. Abhijit Sen	March 17, 2020	2	Member
Mr. D R Dogra	February 01, 2017	2	Member
Mr. Gautam Saigal	May 12, 2015	2	Member
Mr. Harshan Kollara	November 12, 2021	1	Member
Mr. S V Raja Vaidyanathan	September 07, 2009	2	Member
Mr. B N Raveendra Babu *	May 13, 2019 – June 01, 2025	-	Member

**Mr. B N Raveendra Babu was member of the Committee until the closing of business hours on June 01, 2025, and not attended meetings of the Committee during the FY26.*

i) Asset Liability Committee

Asset Liability Committee is an executive committee comprising of the management team, constituted to inter alia monitor the asset liability gap, strategize action to mitigate the risk associated, ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives.

During the FY26, the Asset Liability Committee met Fourteen (14) times on the following dates: April 07, 2025, April 24, 2025, May 20, 2025, June 10, 2025, June 25, 2025, July 25, 2025, August 26, 2025, September 22, 2025, October 24, 2025, November 24, 2025, December 23, 2025, January 27, 2026, February 24, 2026 and March 25, 2026. The Composition and the attendance of the members of Asset Liability Committee for the FY26, are as follows:

Name of the Member	Member of Committee since	No. of Meetings attended during the FY26	Committee Designation
Mr. Manoj Gerard David Pasangha	October 13, 2025	4	Chairperson
Mr. B.N Raveendra Babu*	May 30, 2020- June 01, 2025	-	Chairperson
Dr. Roy Varghese	June 01, 2025	10	Member
Mr. Unnikrishnan Janardnan	August 02, 2025	10	Member
Sundararaj S	November 01, 2024	14	Member
Mr. Rajesh KRN Namboodiripad	May 17, 2022	14	Member
Mr. Sugesh Ram K. S**	June 27,2024 - July 31, 2025	2	Member
Mr. S Sureshkumar**	August 01, 2025	6	Member

** Mr. B N Raveendra Babu was Chairman of the Committee until the closing of business hours on June 01, 2025, and not attended meetings of the Committee during the FY26.*

***Mr. Sugesh Ram K. S. resigned from the Company with effect from the closing of business hours on July 31, 2025, and attended two meetings. Subesquently, Mr S Sureshkumar was inducted as a member of the Committee with effect from August 01, 2025.*

9. AUDITORS

a) Statutory Auditors & their Report

The Members of the Company, at the 17th AGM held on September 30, 2024, approved the appointment of A. John Moris & Co, Chartered Accountants (Firm Registration No.007220S) as Statutory Auditors of the Company for a period of three (3) years from the conclusion of 17th AGM until the conclusion of the 20th AGM to be held in the year 2027. The Statutory Auditors have audited the financial statements of the Company for the Financial Year ended March 31, 2026. The Auditors' Report does not contain any qualification, reservation, disclaimer, or adverse remark.

b) Secretarial Auditor & their Report

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board at its meeting held on May 06, 2025, appointed KSR & CO Company Secretaries LLP as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for the financial year ended March 31, 2026.

The Secretarial Audit Report in Form No. MR-3, received from the Secretarial Auditor, does not contain qualification, reservation, or adverse remarks. The Secretarial Audit Report is annexed to this report as **"Annexure- A"**.

c) Non-Applicability of Maintenance of Cost Records & Cost Audit

The provisions relating to maintenance of Cost Records and Cost Audit as prescribed under Section 148 of the Act and rules made thereunder are not applicable to the Company.

d) Frauds Reported by Auditors

Pursuant to Section 143 (12) of the Act, the Statutory Auditors and the Secretarial Auditors of the Company have not reported any instances of material frauds committed in the Company by its officers or employees during the year under review, except a few instances identified by the Company and appropriately disclosed in notes forming part of the financial statements.

10. CHANGE IN NATURE OF BUSINESS IF ANY

There was no change in the nature of the Company's existing business during the FY26.

11. STATUS OF THE COMPANY UNDER LISTING REGULATIONS

While the company remains, a debt listed entity it is not a High Value Debt Listed Entity (HVDLE) within the meaning of Regulation 15(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as its outstanding listed debt as at 31st March, 2026 is Rs.670 Crores.

12. CREDIT RATING

During the financial year under review, the Company continued to maintain strong credit ratings, reflecting its sound financial position, robust risk management practices, healthy asset quality and prudent capital management. CARE Ratings Limited has reaffirmed the Company's Microfinance Institution grading at **"MFI 1"**, which is the highest grading assigned to microfinance institutions and signifies excellent operational and financial performance, strong governance standards and sound risk management systems. The Company's debt instruments have been assigned the following credit ratings:

Credit Rating Agency	Instrument	Rating
CRISIL	Bank Loan	CRISIL AA-/Stable
CRISIL	Long term-NCD	CRISIL AA-/Stable
CRISIL	Long term sub-debt	CRISIL AA-/Stable
CRISIL	Commercial Paper	CRISIL A1+
CRISIL	Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA- / Stable

Credit Rating Agency	Instrument	Rating
CARE	Bank Loan	CARE AA-/Stable
CARE	Long Term-NCD	CARE AA-/Stable
CARE	Long Term Sub-debt	CARE AA-/Stable

The Board places on record its appreciation for the continued confidence reposed by the credit rating agencies in the Company's financial strength and operational performance.

13. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

No significant or material order was passed by any Regulator, Court or Tribunal during the year under review, which would impact the going concern status or the Company's operations in future.

14. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has established adequate internal financial control commensurate with the size and nature of its business. These controls are designed to provide reasonable assurance regarding the reliability of financial reporting, safeguarding of assets, prevention and detection of frauds and errors, compliance with applicable laws and regulations and adherence to internal policies and procedures. The Company follows a robust internal audit framework based on risk assessment methodologies. Internal audits are conducted across business functions and branches based on their risk profiles. The scope of internal audit is reviewed and approved by the Audit Committee annually.

Internal audit reports, together with management responses and action taken reports, are periodically reviewed by the Audit Committee. The internal audit function continuously monitors compliance with established processes and recommends improvements wherever necessary. During the FY26, KPMG acted as consultant supporting the Company's Internal Audit function. The observations and

recommendations of the Internal auditors, together with management responses, were placed before the Audit Committee at regular intervals.

Based on the review carried out by the management, Internal Auditors and Audit Committee, the Board is of the opinion that the Company has an adequate and effective internal financial control system.

15. RISK MANAGEMENT

Risk Management forms an integral part of the Company's governance framework and business strategy. The Company has established a comprehensive Enterprise Risk Management (ERM) framework designed to identify, assess, monitor, mitigate and report risks that may adversely affect its business operations, financial performance, regulatory compliance, reputation and long-term sustainability. The framework promotes a strong risk culture across the organization and facilitates informed decision-making while supporting sustainable growth.

The detailed discussion on the Company's risk management framework, key risk exposures, mitigation measures, governance structure, internal control systems and risk oversight mechanisms forms part of this Management Discussion and Analysis Report. The discussion covers the principal risks faced by the Company, including credit risk, concentration risk, operational risk, liquidity and market risk, information security and technology risk, regulatory and compliance risk, reputation risk and legal risk, together with the measures adopted by the Company to effectively manage and mitigate such risks.

The Board believes that the Company's robust risk management framework, strong governance practices and disciplined risk culture position it well to navigate evolving business and regulatory environments while pursuing long-term value creation.

16. CORPORATE SOCIAL RESPONSIBILITY

The Company continues to uphold its commitment towards sustainable and inclusive development through its Corporate Social Responsibility (CSR) initiatives. CSR activities are undertaken in accordance with the CSR Policy formulated by the Board of Directors on the recommendation of the CSR Committee and in compliance with the provisions of Section 135 of the Act.

CSR Annual Report for the FY26 is attached herewith as **"Annexure - B"** and forms an integral part of this report. The Company's CSR Policy is aligned with the activities specified under Schedule VII of the Act and focuses on creating a positive social impact in the communities where the Company operates.

Salient Features of the CSR Policy is as below:

- **Objective:** The objective of CSR is to improve the quality of life of individuals, families, and communities, particularly those belonging to underprivileged sections of society. While the Company contributes to financial inclusion through its microfinance operations, it also seeks to support broader societal development through various CSR initiatives.
- **Ethics, Transparency & Accountability:** The Company remains committed to the highest standards of ethics, transparency and accountability in all its business practices and CSR activities. It does not engage in business practices that are abusive, unfair and corrupt.
- **CSR Activities:** During the year, the Company implemented several socially relevant projects and programs in locations surrounding its corporate office and branch network. The company may continue to undertake or support projects and activities approved by the board and fall within the scope of schedule VII of the Act.

  During the FY26, the CSR Policy was reviewed to ensure compliance with all applicable statutory provisions. The CSR policy is available on: https://asirvadmicrofinance.co.in/wp-content/uploads/2026/04/Corporate-Social-ResponsibilityCSR-Policy.pdf

17. VIGIL MECHANISM AND WHISTLEBLOWER POLICY

In compliance with Section 177(9) and 177(10) of the Act, the Company has established a Vigil Mechanism and Whistle Blower Policy to provide a formal mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud, violation of the Company's code of conduct or any other misconduct. Vigil Mechanism and Whistleblower Policy are also available on the website of the Company and can be accessed at https://asirvadmicrofinance.co.in/wp-content/uploads/2026/04/Policy-on-VIGIL-Whistle-Blower-Mechanism.pdf

The mechanism provides direct access to the Chairman of the Audit Committee and ensures adequate safeguards against victimisation of whistleblowers.

During the FY26, twenty (20) complaints were received under the Vigil Mechanism. No Director or employee was denied access to the Chairman of the Audit Committee.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Act, are disclosed in the notes to the financial statements forming part of this Annual Report. Members are requested to refer Note Nos. 7(a) and 8 of the financial statements for detailed information in this regard.

19. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered during the FY26 were in the ordinary course of business and on an arm's length basis and complied with the provisions of the Act, the rules made thereunder and other applicable regulatory requirements. The Company has established adequate procedures for identification, review and approval of Related Party Transactions. All such transactions are placed before the

Audit Committee for its review and approval in accordance with the applicable provisions of the Companies Act, 2013 and the Company's Policy on Related Party Transactions.

The particulars of contracts or arrangements with related parties under Section 188(1) of the Act, in the prescribed Form AOC-2 form part of this Report and is annexed herewith as **"Annexure-C"**. The disclosures relating Related Party Transactions as required under the applicable Accounting Standards and the Indian Accounting Standards (Ind AS) are in notes forming part of the financial statements in this annual report.

The Board of Directors has adopted a Policy on Related Party Transactions, to ensure transparency and proper governance in dealing with related parties. The policy is available on the website of the Company at https://asirvadmicrofinance.co.in/wp-content/uploads/2026/04/Related-party-transactions-RPTs-Policy.pdf.

20. HUMAN CAPITAL MANAGEMENT

Human Capital Management (HCM) remains a key strategic priority for the organization, recognizing that our employees are the primary drivers of operational excellence, innovation and sustainable growth. The Company continues to focus on attracting, developing, engaging and retaining a skilled and diverse workforce aligned with its long-term business objectives. Through effective workforce planning, talent acquisition, leadership development and succession planning initiatives, the organization aims to ensure the availability of competent human resources to meet current and future business requirements.

During the reporting period, emphasis was placed on employee learning and development through structured training programs, professional development initiatives and performance management processes designed to enhance employee capabilities and productivity. The Company also continued to strengthen its performance-driven culture by promoting accountability, collaboration and continuous improvement across all levels of the organization. Employee engagement activities were undertaken to foster a positive work environment, improve communication and support employee well-being.

The Board recognizes the importance of maintaining competitive compensation and benefits programs that support employee retention and motivation while ensuring alignment with organizational performance. The Company remains committed to providing a safe, inclusive and equitable workplace that promotes diversity, equal opportunity and compliance with all applicable labour laws and regulations. Going forward, Human Capital Management initiatives will continue to focus on strengthening organizational capabilities, developing future leaders and enhancing employee engagement to support the Company's strategic objectives and long-term value creation.

21. PARTICULARS OF EMPLOYEES

The Company had 13,300 employees as on March 31, 2026. The disclosures relating to remuneration as prescribed under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company, since the Company is not listed on the Main Board of a recognised stock exchange.

Accordingly, the statement prescribed under the said Rules are not required to be prepared.

22. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE REPORT

In terms of Section 134(3)(l) of Act, except as stated below, 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, i.e., March 31, 2026, and the date of this Report, except as stated below:

During FY25, the parent company, Manappuram Finance Limited (MFL), executed a Share Subscription Agreement (SSA) and a Shareholders' Agreement (SHA) on March 20, 2025, with BC Asia Investments XXV Limited, BC Asia Investments XIV Limited, and BC Asia Investments XV Limited (collectively referred to as "Bain Capital"), along with the existing promoters and specified promoter and promoter group of MFL.

During FY26, the Company received approval from the RBI, vide its letter dated August 26, 2025, for a 30% change in the management and control of the Company, along with the appointment of Ms. Radhika Subramanian (DIN: 11061803) as a Non-Executive, Non-Independent Director (Investor Nominee Director), subject to the terms of the Share Subscription Agreement (SSA) and the Shareholders' Agreement (SHA) entered into by Manappuram Finance Limited, the parent company, the final approval of the Board (as per the terms of the SSA), and the approval of the shareholders of the Company. Subsequently, the RBI, vide its letter dated March 18, 2026, granted its approval for the indirect change in the management and control of the Company.

Pursuant to the completion of Bain Capital's investment in MFL, the parent company received a capital infusion in accordance with the terms of the transaction. As per the agreed investment structure, a portion of the funds received by MFL was deployed towards strengthening the capital base of its subsidiaries. Accordingly, MFL infused capital into Asirvad Micro Finance Limited ("AMFL") through a rights issue. On April 10, 2026, the Company allotted 17,91,88,333 equity shares to MFL for an aggregate consideration of ₹ 788,42,86,652.

The aforesaid capital infusion has significantly strengthened the Company's capital adequacy and net worth position and will support future business expansion, growth initiatives, regulatory capital requirements and operational needs. The Board believes that the enhanced capital base provides a strong foundation for the Company's long-term growth strategy and strengthens its ability to pursue emerging opportunities in a prudent and sustainable manner.

23. REPORT ON CORPORATE GOVERNANCE

The provisions relating to the Corporate Governance Report are not applicable to the Company during the Financial Year under review. The Company has neither listed its Equity Shares on the Main Board of any recognized stock exchange nor qualifies as a high-value debt listed entity. Accordingly, the requirements pertaining to the preparation and disclosure of a Corporate Governance Report under the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), are not applicable to the Company.

24. MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to the requirements of the SEBI Listing Regulations and applicable regulatory requirements, the Management Discussion and Analysis Report, which provides a detailed review of the industry structure and developments, business performance, opportunities and threats, risk management framework, internal control systems and the operational performance of the Company's business segments, forms an integral part of this Integrated Annual Report. As the company is only debt-listed, the Management Discussion and Analysis Report is optionally presented as a separate section of the Annual Report.

25. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

As the Company has neither listed its equity shares on the Main Board of a recognized stock exchange nor qualifies as a high-value debt listed entity, the provisions relating to the Business Responsibility and Sustainability Report (BRSR) are not applicable to the Company during the Financial Year under review.

26. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company is dedicated to fostering a workplace environment that promotes fairness, safety and respectful relationships across all its locations. We are committed to maintaining the dignity of every employee, regardless of gender or position. Any form of discrimination or harassment is strictly prohibited. The Company has constituted Internal Complaint Committee (ICC) in line with requirement of the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH") and Rules made thereunder. Your Company has adopted a comprehensive Policy on Prevention of Sexual Harassment of Women at Workplace and conducts awareness programmes to ensure compliance with the statutory requirements. The following is the summary of sexual harassment complaints received and disposed-off during the year:

1.	No. of complaints received during the year	6
2.	No. of complaints disposed off	6
3.	No. of Complaints pending for more than 90 days	Nil

All Employees (Permanent, Contractual, Temporary, Trainees etc.) are covered under the provisions of POSH.

27. FAIR PRACTICE CODE

Your Company has adopted a Fair Practice Code (FPC) in accordance with the guidelines prescribed by the RBI. The Code ensures transparency in dealings with customers and promotes fair and ethical lending practices. The Code provides customers with adequate information to enable informed decision-making and establishes standards for customer service. The FPC is available on the website of the Company at https://asirvadmicrofinance.co.in/fair-practice-code-policy/

28. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company as on March 31, 2026, in Form MGT-7 is available on the website of the Company and can be accessed through the following link: https://asirvadmicrofinance.co.in/annual-return-as-provided-under-section-92-of-the-companies-act-2013-and-the-rules-made-there-under/

29. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to energy conservation, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section134(3) (m) of the Act read with Rule 8 of the Companies (accounts) Rules, 2014, is disclosed in **"Annexure–D"** as attached with this report.

30. DEPOSITS

The Company is registered with RBI as non-deposit accepting NBFC under Section 45-IA of the Reserve Bank of India Act, 1934 and classified as NBFC-Micro Finance Institution (NBFC-MFI), effective from October 04, 2013. The Company has neither accepted nor renewed any public deposits during the financial year under review within the meaning of the provisions of Chapter V of the Act, the Companies (Acceptance of Deposits) Rules, 2014, and the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, as amended from time to time.

Further, no amount of principal or interest on public deposits was outstanding as on FY26. The Company has complied with all applicable directions and reporting requirements prescribed by the RBI in this regard.

31. DETAILS OF THE EMPLOYEES STOCK OPTION SCHEME IN TERMS OF RULE 12 (9) OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014

During the FY26, no stock options were granted, vested, exercised, lapsed or outstanding under Employee Stock Option Scheme- 2019 of the Company.

32. RBI REGULATIONS

The Company continues to operate in compliance with the regulatory framework prescribed by the RBI for NBFCs. Pursuant to the applicable provisions of the RBI Scale Based Regulation (SBR) framework, the Company continues to be classified as a Non-Banking Financial Company – Middle Layer (NBFC-ML). The Company has complied with the regulatory requirements applicable to NBFC-ML entities, including governance standards, risk management practices, capital adequacy norms, asset classification requirements, customer protection measures and other applicable regulatory guidelines issued by the RBI from time to time.

The Board and the management remain committed to maintaining the highest standards of regulatory compliance and governance and continue to strengthen internal systems and processes to ensure adherence to evolving regulatory requirements.

33. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Act, the Directors confirm that:

i. In the preparation of the Annual Accounts for the year ended March 31, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2026, and of the profit and loss of the Company for that period.

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They have prepared the annual accounts on a going-concern basis.

v. They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

34. SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

During the financial year under review, the Company did not have any Subsidiary, Joint Venture or Associate Company within the meaning of the provisions of the Act and the rules made thereunder. Additionally, no company became or ceased to be a subsidiary, joint venture or associate company of the Company during the FY26. Accordingly, the disclosure requirements prescribed under Section 129(3) of the Act relating to the statement containing salient features of the financial statements of subsidiaries, associates and joint ventures are not applicable to the Company.

However, the Company continues to be the subsidiary of Manappuram Finance Limited. As on March 31, 2026, Manappuram Finance Limited held 32,78,30,810 Equity Shares of ₹ 10/- each aggregating to ₹ 3,27,83,08,100/- constituting 98.56% of the Share Capital of the Company. The Board places on record its appreciation for the continued support and guidance extended by the Holding Company in achieving the Company's strategic and operational objectives.

35. DETAILS OF AUCTIONS HELD DURING THE YEAR 2025-26

Pursuant to the Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, the details of auctions conducted during the FY26 are provided below:

(₹ in Lakhs)

Year	Number of Loan Accounts	Principal Amount O/S at the date of Auctions (A)	Interest Amount O/S at the date of Auctions (B)	Total (A+B)	Value Fetched
FY 2025-26	1115	706.95	573.05	1280.00	731.16

No sister concern participated in the auctions held during the FY26.

36. DEMATERIALISATION OF SHARES & OTHER SECURITIES

As on FY26, all the shares and other securities held by the shareholders and other security holders are in Demat form.

37. SECRETARIAL STANDARDS OF ICSI

The Company has complied with the applicable Secretarial Standards on Meetings of the Board of Directors (SS- 1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India.

38. DETAILS OF REMUNERATION/ COMMISSION RECEIVED BY MANAGING DIRECTOR FROM SUBSIDIARIES

Your Company has no subsidiary during FY26. Further, Mr. B. N. Raveendra Babu (DIN- 00043622), Erstwhile Managing Director of the Company has not received any remuneration/commission from the Parent Company - Manappuram Finance Limited.

39. IDENTIFICATION OF PROMOTER

As on FY26, Manappuram Finance Limited and Mr. V. P Nandakumar are categorised as the promoters of the Company.

40. OTHER DISCLOSURES AND AFFIRMATIONS

The Company affirms that during the FY26:

- The Company did not issue equity shares with differential rights as to dividend, voting or otherwise.
- The Company did not issue any Sweat Equity Shares.
- The Company did not resort to any buy-back of its equity shares.
- No application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- No one-time settlement was entered into with any bank or financial institution.
- The Company has not revised Financial Statements as mentioned under Section 131 of the Act.
- The Company has complied with the provisions of the Maternity Benefit Act, 1961.

41. ACKNOWLEDGEMENT

The Directors would like to express their sincere gratitude for the valuable support and cooperation provided by Shareholders, Debenture holders, Security holders, Debenture Trustees, the Reserve Bank of India, the Registrar of Companies, the Securities and Exchange Board of India, BSE Limited, bankers, Financial Institutions, business associates, Government Authorities, Sa-Dhan, MFIN, Auditors, customers, vendors and all other stakeholders throughout the year. We also appreciate the unwavering trust and confidence demonstrated by the promoters of the Company. Furthermore, the Directors extend their heartfelt thanks to all employees for their ongoing dedication, commitment and tireless efforts during the challenging FY26.

For and on behalf of the Board of Directors
Asirvad Micro Finance Limited

V. P. Nandakumar
Chairman
DIN: 00044512

Date: April 30, 2026
Place: Valapad

Annexure–A

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year ended 31st March, 2026

To,
The Members,
Asirvad Micro Finance Limited
Ceebros Manjula, 3rd Floor, Office No. 1,
New No. 39, Old No.45, Montieth Road,
Egmore, Opp Indian Red Cross Society,
Ethiraj Salai, Egmore Nungambakkam,
Chennai- 600008.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asirvad Micro Finance Limited** (CIN: U65923TN2007PLC064550) (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on March 31, 2026 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, 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 the Audit, we hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, 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 March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 and the Rules made there under.

(ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.

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

(iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and Exchange Commercial Borrowings. *

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

  (a) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 2025 (limited to obligations of the company)

  (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011*

  (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **

  (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. *

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

  (f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

  (g) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (limited to obligations of the company)

  (h) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021#

(vi) The following Act, Rules, Regulations, Directions, that are specifically applicable to the Company based on its main objects:

  (a) The Reserve Bank of India Act, 1934

  (b) Master Direction - Reserve Bank of India (Filing of Supervisory Returns) Directions, 2024.

  (c) Reserve Bank of India (NBFC-Governance Directions), 2025

(vii) *Based on the information and explanation provided, the Company had no transactions during the period covered under the Audit requiring the compliance of the provisions of :

  (a) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

  (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

  (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(viii) ** Chapter V- Applicability is limited to Regulations 49 to 62A. Based on information provided, the Company is not a High Value Debt Listed Entity (HVDLE) as on March 31, 2026.

(ix) #Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 per se not applicable to the Company being only debt listed.

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

(i) the Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.

(ii) Listing Agreement for debt securities entered into with BSE Limited in respect of privately placed non-convertible debentures issued by the Company.

We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Director, Non-Executive Directors, Independent Directors and Woman Director. Changes were made to the composition of the Board of Directors during the period covered under the Audit.

Adequate notice and detailed notes on Agenda were given to all Directors at least seven days in advance to schedule the Board Meetings and consent was received from all directors in case the Board Meetings were called at shorter notice. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the Board Meeting and for meaningful participation at the Board Meeting.

Majority decision is carried through and recorded as part of the minutes. We understand that there were no dissenting members' views requiring to be captured in the minutes.

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

We further report that in our opinion during the period covered under the Audit, there are actions / transactions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above.

i. The Company increased its authorised share capital from ₹ 300 Crores to ₹ 600 Crores by way of alteration of the Capital Clause of the Memorandum of Association (MOA) at the Extra-ordinary general meeting held on September 10, 2025.

ii. The Company amended its the main object Clause of the Memorandum of Association (MOA) to add the objects of "procure Insurance Business as Corporate Agency (Composite) in respect of all classes of Insurance and to undertake such other activities as are incidental or ancillary thereto as permitted by IRDAI under Corporate Agency Regulations 2015 as amended from time to time", at the Extra-ordinary general meeting held on September 10, 2025.

iii. The Company altered its Articles of Association of the Company to incorporate provisions relating to the proposed investor, as set out in Part B of the AOA at the Extra-ordinary general meeting held on February 18, 2026.

iv. The Company completed allotment of equity shares 8,33,33,333 on rights basis to the existing shareholders through board meeting held on June 06, 2025, resulting in an increase in the paid-up share capital by ₹ 83.33 crores.

v. The Company completed allotment of 4,90,19,607 equity shares on rights basis to the existing shareholders through board meeting held on December 29, 2025, resulting in an increase in the paid-up share capital of the Company by ₹ 49.02 crores. Post the allotment of rights shares on June 06, 2025 and December 29, 2025 the paid-up share capital of the Company stood at ₹ 332,63,63,120 (Rupees Three Hundred and Thirty-Two Crores Sixty-Three Lakhs Six Three Thousand One Hundred and Twenty Only).

vi. The Company made Private placement of Non-Convertible Debentures (NCDs) aggregating to ₹ 295 Crores in the financial year.

For KSR & Co Company Secretaries LLP

Dr. C. V. Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367H000248170
PR No. 2635/2022

Date: April 30, 2026
Place: Coimbatore

KSR/CBE/A-239/83/2026-27

To
The Members,
Asirvad Micro Finance Limited
Ceebros Manjula, 3rd Floor, Office No. 1,
New No. 39, Old No.45, Montieth Road,
Egmore, Opp Indian Red Cross Society,
Ethiraj Salai, Egmore Nungambakkam,
Chennai- 600008.

Our Secretarial Audit Report of even date **Asirvad Micro Finance Limited** (CIN - U65923TN2007PLC064550) (hereinafter called "the Company") is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We had conducted our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic and Physical mode as enabled by the Company. We state that we have done a physical verification of the original documents and records. The management has confirmed that the records provided to us for audit through electronic mode are final, true and correct.

3. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial Year ended on March 31, 2026.

4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis. Further compliance of provisions of Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) directions, 2023 is limited to compliance of corporate governance provisions and verification of filing of forms and returns thereunder.

7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KSR & Co Company Secretaries LLP

Dr. C. V. Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367H000248170
PR No. 2635/2022

Date: April 30, 2026
Place: Coimbatore

Annexure–B

Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company

In accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules framed thereunder, your Company has established a robust CSR framework to fulfill its commitment towards sustainable development and social welfare. The Board of Directors of the Company has constituted a CSR Committee to oversee and guide the implementation of the Company's CSR initiatives. The CSR Committee is entrusted with the responsibility of formulating and recommending the CSR Policy to the Board for its approval. The Committee also identifies and recommends CSR projects, programs and activities in line with the objectives prescribed under the Companies Act, 2013. The CSR Committee periodically reviews the CSR activities undertaken by the Company and recommends the amount of expenditure to be incurred on such activities. All recommendations of the Committee, including the annual CSR budget and project proposals, are submitted to the Board of Directors for approval and implementation.

To ensure effective execution of CSR initiatives, the CSR Committee has established a transparent monitoring and reporting mechanism. This framework facilitates regular assessment of the progress, impact and effectiveness of CSR projects and programs undertaken by the Company. The Committee also reviews the CSR Policy from time to time and recommends necessary modifications to align with statutory requirements, emerging social needs and the Company's strategic priorities. Through its CSR policy and initiatives, your Company remains committed to creating a positive social impact, promoting inclusive growth and contributing to the overall development of communities in which it operates.

2. Compositions of the Corporate Social Responsibility Committee as on March 31, 2026:

Sl No.	Name of the 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. Pushya Sitaraman	Chairperson, Independent Director	3	3
2	Mr. T Balakrishnan	Member, Independent Director	3	3
3	Mr. D R Dogra	Member, Independent Director	3	3

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

- Composition of CSR committee is available on the company's website at https://asirvadmicrofinance.co.in/sub-committee/
- The CSR Policy of the Company as approved by the Board of Directors is available on the Company's website at Corporate-Social-ResponsibilityCSR-Policy.pdf
- CSR projects approved by the board is available on the Company's website at https://asirvadmicrofinance.co.in/csr/

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 sub-section (5) of section 135 : **₹ 4,051.85 Lakhs**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 : **₹ 81.03 Lakhs**

(c) Surplus arising out of the CSR Projects or program 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)] : **₹ 81.03 Lakhs**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : **183.53 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)] : ₹ **183.53 Lakhs**

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

Total Amount spent for the Financial Year	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
81.03	-	-	-	-	-
			-	-	-

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

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

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(₹ In Lakhs, unless otherwise mentioned)

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2024-25	102.49	-	102.49	-	-	-	
2	2023-24	-	-	-	-	-	-	
3	2022-23	-	-	-	-	-	-	
	TOTAL	**102.49**	**-**	**102.49**	**-**	**-**	**-**	

8. Whether any capital asset has been created or acquired through Corporate Sociability Responsibility amount spent in the financial year:

If yes, enter the number of capital assets created or acquired- 6

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]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent (In ₹)	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1.	Infrastructure development at Mageet School. address: Manappuram Geetha Ravy Public School, Valapad Thrissur, Kerala-680567	680567	31/03/2026	1,46,96,406/-	CSR00004545	Manappuram Foundation	Manappuram Geetha Ravy Public School, Valapad, Thrissur, Kerala-680567

Sl. No.	Short particulars of the property or asset(s) [Including complete address and location of the property]	PIN code of the property and asset(s)	Date of Creation	Amount of CSR spent (In ₹)	Details of the entity/ public authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
2.	Alpha Palliative Care Hospice, Palapetty, Thrissur, Kerala, 680568	680568	27/1/2026	15,00,000/-	CSR00010218	Alpha Charitable Trust	Alpha Charitable Trust,IX/627, Edamuttam P O,Thrissur, Kerala, Pin-680568
3.	Alpha Palliative Care, Chalakudy Link Centre, South Junction, South Chalakudy Thrissur, Kerala, 680307	680307	31/3/2026	3,00,000/-	CSR00010218	Alpha Charitable Trust	Alpha Charitable Trust,IX/627, Edamuttam P O,Thrissur, Kerala, Pin-680568
4.	Shagin C S Cheruvathoor House, Thrissur, Punkunnu, Kerala-680002	680002	26/5/2025	2,04,300/-		Home for Homeless	Shagin C S Cheruvathoor House, Thrissur, Punkunnu, Kerala-680002
5.	Dream Runners Foundation, Flat- SF2, Mulberry, New No. 6,Old No.14,II Cross Street, Karpagam Gardens, Adyar, Chennai- 600020	600020	26/5/2025	2,00,000/-	CSR00013499	Dream Runners Foundation	Dream Runners Foundation, Flat- SF2, Mulberry, New No. 6,Old No.14,II Cross Street, Karpagam Gardens, Adyar, Chennai- 600020
6.	Santha, Thrikoor House, Thirupazhanchery temple, Valapad Thrissur- 680567	680567	13/2/2026	45,700/-		Home for Homeless	Santha, Thrikoor House, Thirupazhanchery temple, Valapad Thrissur- 680567

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

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

Ms. Pushya Sitaraman
Chairperson of CSR Committee
DIN: 06537196

Mr. T Balakrishnan
Member of CSR Committee
DIN: 00052922

Date: April 30, 2026
Place: Valapad

Annexure–C

Form No. AOC-2

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

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

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

   There were no contracts or arrangements or transactions entered into by the Company during the financial year 2025-26 which were not at arm's length basis.

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

   There were no material contracts or arrangement or transactions entered into by the Company during the financial year 2025-26.

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V. P. Nandakumar
Chairman
DIN: 00044512

Date: April 30, 2026
Place: Valapad

Annexure–D

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

A. CONSERVATION OF ENERGY

i. The steps taken or impact on conservation of energy

Asirvad is committed to reduce carbon emission from environment and conserve energy. The Company facilitates and promotes energy-efficient and renewable energy solutions such as solar lanterns, improved cookstoves, and inverter bulbs, thereby encouraging the adoption of cleaner energy alternatives among low-income households. In alignment with global sustainability initiatives, the Company has partnered with MicroEnergy Credits (MEC) to participate in the Global Clean and Renewable Energy Program under the United Nations Framework Convention on Climate Change (UNFCCC). Through this collaboration, Asirvad supports the adoption of energy-efficient technologies among its customer base, particularly in rural and underserved communities.

However, as the Company is primarily engaged in microfinance lending activities, the direct scope for large-scale energy conservation within its own operations remains limited.

ii. The steps taken by the company to utilize alternate sources of energy

Asirvad continues to promote and support the adoption of alternate and clean energy sources among its customers. Recognizing that access to clean energy solutions is often financially prohibitive for low-income households, the Company, in partnership with Micro Energy Credits (MEC), works to bridge this gap through microfinance-linked solutions. MEC collaborates with microfinance institutions and NBFCs to provide training, technical assistance and operational support, enabling customers to adopt and increase the usage of energy-efficient and renewable energy products. Through this partnership, Asirvad facilitates greater awareness and accessibility of alternate energy solutions within its borrower base.

Given the nature of its business, the Company's direct utilisation of alternate energy sources in its own operations is minimal.

iii. The capital investment on energy conservation equipment

The Company has not incurred any capital expenditure on energy conservation equipment during the reporting period, as its role is primarily that of a facilitator in promoting energy-efficient products among customers rather than direct investment in such infrastructure.

B. TECHNOLOGY ABSORPTION

i. The efforts made towards technology absorption

Recognising the operational complexities associated with serving a large and geographically dispersed borrower base, primarily in rural areas, Asirvad Micro Finance Limited has made significant investments in strengthening its technological infrastructure. The Company has developed and implemented a core banking solution-based Loan Management System (LMS) integrated with key business functions including digital and offline collections, human resources and attendance, learning and training platforms, borrower support, grievance redressal, accounting, treasury, asset management and legal tracking. The LMS is further integrated with external digital service providers for borrower verification, credit assessment, bank account validation and workflow automation, enabling seamless end-to-end loan lifecycle management.

The Company has also obtained ISO 2001:2013 certification from BSI, reflecting its commitment to maintaining robust information security controls. The systems have been developed through a combination of internal technology teams and external IT partners, including Manappuram Comptech and Consultants Limited (MACOM), a group company and part of the promoter group, as well as other external vendors engaged by the Company.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

The adoption of advanced digital systems has resulted in significant operational efficiencies and business benefits, including:

- Paperless data capture and faster borrower onboarding
- Digital verification of identity documents such as Aadhaar and Voter ID through APIs, including mobile OTP authentication and real-time credit bureau checks
- Enhanced risk management through automated KYC verification, age validation, deduplication checks and improved credit assessment processes

- Improved data capture on borrower profiles, including income, expenses and asset details for better credit evaluation
- Real-time tracking and monitoring of group meetings, collections and portfolio quality indicators
- Multiple digital payment options through both proprietary and third-party platforms
- A dedicated Customer Self-Service App enabling borrowers to access account information and statements
- Workforce management systems to monitor field staff activities and improve operational accountability

These technological enhancements have significantly improved efficiency, transparency, risk control and customer experience across the Company's operations.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a) the details of technology imported

b) the year of import

c) whether the technology been fully absorbed

d) if not fully absorbed, areas where absorption has not taken place and the reasons thereof; and

Not Applicable

iv. The expenditure incurred on Research and Development

Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Description	Nature	Currency	Amount in ₹
Interest	Outgo	EUR and USD	50502150.84
Hedging Cost	Outgo	EUR and USD	10619350.7

For and on behalf of the Board of Directors
ASIRVAD MICRO FINANCE LIMITED

V. P. Nandakumar
Chairman
DIN: 00044512

Date: April 30, 2026
Place: Valapad

Independent Auditor's Report

To the Members of **Asirvad Micro Finance Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Asirvad Micro Finance Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub section (10) of the section 143 of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

Expected Credit Loss - Impairment of carrying value of loans and advances

Refer to Note 3(i) of significant accounting policies and Note 39.

Under Ind AS 109, Expected Credit Losses ('ECL') are required to be determined for recognizing impairment losses on financial assets which are stated at amortized cost. The Company exercises significant judgment using assumptions in recognizing impairment provision for loans and advances.

The computation of impairment provision or ECL is based on significant management estimates and judgments, which are as under:-

- Judgements about credit risk characteristics for collective evaluation of impairment under various stages of ECL
- Qualitative and quantitative factors used in staging the loan assets carried at amortized cost.
- Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD").
- Consideration of probability scenarios and forward looking macro-economic factors

ECL requires a large variety of data such as historical data, macro-economic & state specific variables as an input to the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.

In view of the criticality of the item to the Financial Statements, complex nature of assumptions, & judgements exercised by the management and loans forming a major portion of the Company's assets and impairment charge for the year being material to the net loss for the year, in our opinion this is considered as a Key Audit Matter.

Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate.

Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. These procedures included the following:-

- Read the Company's Board approved Ind-AS 109 based impairment provisioning Methodology and Estimates policy.

- Understood and assessed the Company's processes and controls on measurement and recognition of impairment in the loan portfolio
- Verified on a sample basis, loans in stage 1, 2 and 3 to ascertain that they were allocated to the appropriate stage
- Test checked the Probability of Default ('PD') and Loss Given Default ('LGD') computations performed by the management, including testing data used in assessment and evaluation of whether the results support appropriateness of the PDs at a portfolio level.
- In the current financial year, the component of Macro Economic Factor is also included in computation of the percentages for Expected Credit Losses in view of the market trends in the sector.
- Test checked the computations of determining Exposure at Default (EAD)
- Test checked the manner of determining significant increase in credit risk and the resultant basis for classification of exposures into various stages.
- Performed an assessment of the ECL provision at each stage to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
- Tested the arithmetical accuracy of the computations made by the Company
- Perused the disclosures in the financial statements in respect of ECL and specific disclosures made in adherence with RBI guidelines related to COVID-19 packages.
- We have also obtained management representations wherever considered necessary.

IT Systems and Controls

The Company operates in a complex IT environment that involves substantial reliance on its IT systems which are extensively used in the operations of the Company for processing and recording voluminous data impacting key financial data including loans, interest income, repayment collections data and impairment of financial instruments. These IT systems are also extensively used in the financial reporting process.

Adequate IT General Controls, application controls and access controls are required to ensure that such IT systems are able to process the data to ensure data consistency, accuracy and reliability especially for financial reporting.

We have identified IT Systems and Controls impacting financial reporting as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture including its extensive use in the financial reporting process. Our audit outcome is dependent on the effective functioning of such IT systems.

We performed audit procedures set out below:

- Obtained an understanding of the Company's business IT environment and key changes if any during the audit period that may be relevant to the audit.
- Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis.
- We have tested and reviewed on the sample basis computation performed by the IT systems including that of interest income.
- We have placed reliance on audit report issued by the independent third-party auditor as appointed by the Company for review of Information Security and IT General Control.
- We have also obtained management representations wherever considered necessary

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and The Board of Directors are responsible for preparation of the other information.

The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated when we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) "The Auditor's Responsibilities Relating to Other Information".

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

The Company's management and the Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the

financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

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

In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements are as 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 the standalone financial Statements.

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

- Identify and assess the risks of material misstatement of the standalone financial Statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 standalone financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2020 as amended;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS 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 at March 31, 2026, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026, from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;

   f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 3(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2020 as amended;

   g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**'

3. 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, 2020 as amended, in our opinion and to the best of our information and according to the explanations given to us:

   a) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 41 to the Standalone Financial Statements as at March 31, 2026;

   b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2026;

   c) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026; and

   d) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the standalone financial statements (Refer Note 69 to the Standalone Financial Statements), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 notes to the accounts (Refer Note 69 to the Standalone Financial Statements), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

e) The Company has neither declared any dividend nor paid any dividend during the year.

f) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2020 on preservation of audit trail as per the statutory requirements for record retention, based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, including the capturing of database Administrator Activities and disabling of the edit option for the audit logs by the Database Administrator. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act;

For **A. John Moris & Co**,
Chartered Accountants
FRN No.007220S

(K.V. Sivakumar)
Partner
M.no.027437
UDIN: 26027437ZTCRMF3265

Date: April 30, 2026
Place: Valapad

ANNEXURE A
To the Independent Auditors' Report – March 31, 2026

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report to the members of the Company of even date:

i. a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment including intangible assets.

b) In our opinion, the Company's program of physically verifying Property, Plant and Equipment once in three years, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, the physical verification of Property, Plant and Equipment were physically verified by the Company during the current year. On verification it was observed that there are discrepancies in physical Mapping of the assets with negligible value, The company is in the process of mapping the same.

c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) classified as Property Plant and Equipment, are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

e) According to the information and explanations given to us and based on management representations, there are no proceedings initiated or pending against the Company as at March 31, 2026, for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. a) The Company is in the business of providing micro finance loans and therefore, it does not hold any physical inventories. Accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions based on the security of current assets. According to the information and explanation given to us and the records examined by us, the quarterly returns, or statements, were not required to be filed by the Company during the year as these working capital limits utilised during the year were against liquid securities placed with such banks or financial Institutions.

iii. a) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

b) The investments made, guarantees provided, security given and loans and advances granted in our opinion, prima facie, are not prejudicial to the interest of the Company.

c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 4,11,392 cases having loan outstanding balance as at year end aggregating to Rs. 22,060.05 lakhs wherein the repayments of principal and interest are not regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where repayment of principal and interest have not been regular.

d) In respect of loans granted by the Company, the total amount overdue for more than 90 days as at the balance sheet date are as under;

Number of cases	Principal overdue (₹ Lakhs)	Interest overdue (₹ lakhs)	Total amount (₹ Lakhs)
4,11,392	18,248.15	3,811.89	22,060.05

According to the information and explanation given to us and the records examined by us, the Company has taken reasonable steps to recover the principal and interest amount.

e) Since the Company is in business of providing micro finance loans, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

iv. There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are attracted. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, 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 Companies 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. According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended for the services of the Company, and, hence, reporting on clause 3 (vi) of the Order is not applicable to the Company.

vii. A) According to the information and explanations given to us, and on the basis of examination of the books of account of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amount payable was outstanding, at the year end, for a period of more than six months from the date they became payable.

b) According to records of the Company and the information and explanations given to us, there are no statutory dues as mentioned in sub clause vii(a) above which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Details of dues of Income Tax, which have not been deposited as at March 31, 2026, on account of dispute are given below:

Name of the Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Amount Involved Rs.
Income-Tax act 1961	Income Tax	AY 2015-16	CIT(A)	1,48,184
Income-Tax act 1961	Income Tax	AY 2020-21	CIT(A)	21,34,39,330
Income-Tax act 1961	Income Tax	AY 2020-21	CIT(A)	1,79,73,243
Income-Tax act 1961	Income Tax	AY 2021-22	CIT(A)	5,57,35,960
Income-Tax act 1961	Income Tax	AY 2022-23	CIT(A)	6,15,344
Income-Tax act 1961	Income Tax	AY 2023-24	CIT(A)	18,75,58,310
Income-Tax act 1961	Income Tax	AY 2024-25	CIT(A)	19,94,98,030

Details of dues of Goods and service tax, which have not been deposited as at March 31, 2026, on account of dispute are given below:

Name of the Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Amount Involved Rs.
Goods and Service Tax	GST	FY 2017-18	APL	74,791
Goods and Service Tax	GST	FY 2022-23	Office of deputy commissioner of GST	35,97,538
Goods and Service Tax	GST	FY 2017-20	Adjudicating Authority	60,94,312

viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments made during the year under the Income Tax Act, 1961 (43 of 1961).

ix. a) In our opinion and according to the information and explanations given to us, 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 as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

c) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.

d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been, prima facie, used for long term purposes during the year by the Company.

e) The Company does not have subsidiary, associate or joint venture Company, accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not have subsidiary, associate, or joint venture, accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not raised any money by way of an initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has allotted shares only through a rights issue, and all applicable provisions pertaining to right issue under Section 62(1)(a) of the Companies Act, 2013 have been duly complied with

xi. a) According to information and explanation given to us, and on the basis of examination of the books

and records of the Company, we have come across instances of frauds on the Company amounting to 1754.92 lakhs (Aggregate amount), which have been noticed and reported during the year.

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

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 our audit procedures.

xii. The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transaction with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.

xiv. A) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

B) The internal audit covers critical areas such as financial controls, compliance, risk management, and operational efficiency.

C) We have considered, the internal audit reports provided to us for the year under audit, and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

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

b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial activities or Micro Finance activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India.

d) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has not been any resignation of the statutory auditors of the Company during the year hence reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of projected cashflows, financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. 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) Other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility (CSR) to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

b) In respect of ongoing projects, the Company has no unspent amount towards Corporate Social Responsibility (CSR) to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company for the year.

xxi. Reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements of the Company. Accordingly, no Comment has been included in respect of the said clause under this report.

For **A. John Moris & Co**,
Chartered Accountants
FRN No.007220S

(K.V. Sivakumar)
Partner
M.no.027437
UDIN: 26027437ZTCRMF3265

Date: April 30, 2026
Place: Valapad

ANNEXURE B

To the Independent Auditors' Report – March 31, 2026

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

We have audited the Internal Financial Controls with reference to the Standalone Financial Statements of Asirvad Micro Finance Limited ('the Company') as at March 31, 2026, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to Standalone Financial Statements and such internal financial controls over financial reporting 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.

For **A. John Moris & Co**,
Chartered Accountants
FRN No.007220S

(K.V. Sivakumar)
Partner
M.no.027437
UDIN: 26027437ZTCRMF3265

Date: April 30, 2026
Place: Valapad

Balance Sheet as on March 31, 2026

CIN-U65923TN2007PLC064550

(All the amounts in Rs. Lakhs are stated)

Particulars		Note No.	As at March 31,2026	As at March 31, 2025
I	**Assets**			
1	**Financial assets**			
	(a) Cash and cash equivalents	5	84,239.53	25,627.98
	(b) Bank balance other than those disclosed in (a) above	6	24,934.48	39,607.62
	(c) Loans	7(a)	6,02,182.63	7,01,609.22
	(d) Loans given to staff	7(b)	-	-
	(e) Investments	8	62,569.61	41,092.33
	(f) Derivative financial instruments	14	1,315.70	1,118.24
	(g) Other financial assets	9	3,430.23	7,671.21
	Total Financial assets		**7,78,672.18**	**8,16,726.60**
2	**Non-financial Assets**			
	(a) Current tax assets (net)	10	8,115.67	8,194.08
	(b) Deferred tax assets (net)	11(a)	53,853.88	27,633.81
	(c) Investment property	12	8.64	8.64
	(d) Property, plant and equipment	12	7,705.87	8,601.71
	(e) Right of use asset	12	9,140.64	10,649.89
	(f) Other intangible assets	12	3,175.54	3,062.81
	(g) Intangible assets under development	12	-	-
	(h) Other non financial assets	13	2,554.84	1,936.80
	Total Non-financial assets		**84,555.08**	**60,087.74**
	Total Assets		**8,63,227.26**	**8,76,814.34**
II	**Liabilities and equity**			
1	**Financial liabilities**			
	(a) Derivative financial instruments	14	-	-
	(b) Other payables	15		
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,883.66	2,045.38
	(c) Debt securities	16	44,051.13	2,486.87
	(d) Borrowings (other than debt securities)	17	4,73,456.19	6,26,374.72
	(e) Subordinated liabilities	18	65,055.43	64,959.13
	(f) Lease Liability	18(a)	11,282.17	12,366.64
	(g) Other financial liabilities	19	18,099.52	14,923.01
	Total Financial liabilities		**6,13,828.10**	**7,23,155.75**
2	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	20 (a)	-	-
	(b) Provisions	20 (b)	1,179.94	1,164.87
	(c) Other non-financial liabilities	21	1,044.33	1,017.93
	Total Non-financial liabilities		**2,224.27**	**2,182.80**
3	**Equity**			
	(a) Equity share capital	22	33,263.63	20,028.34
	(b) Other equity	23	1,34,852.21	1,31,447.45
	(c) Share application money pending allotment	22.1	79,059.05	
	Total Equity		**2,47,174.89**	**1,51,475.79**
	Total Liabilities and Equity		**8,63,227.26**	**8,76,814.34**
Corporate Information and Significant Accounting Policies		1-4		

The accompanying notes from 1 to 71 form an integral part of the Financial Information

As per our report of even date attached

For A. JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

K.V. Sivakumar
Partner
ICAI Membership Number: 027437

Date: April 30, 2026
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

G D Manoj Pasangha
Chief Executive Officer

Dr. Roy Varghese
Chief Executive Officer

Rajesh KRN Namboodiripad
Chief Financial Officer
Date: April 30, 2026
Place: Valapad

Mithun B Shenoy
Company Secretary

Statement of Profit and Loss for the period ended March 31, 2026

CIN-U65923TN2007PLC064550

(All the amounts in Rs. Lakhs are stated)

Particulars		Note No.	Year ended March 31,2026	Year ended March 31, 2025
I	**Revenue from operations**			
	Interest income	24 (a)	1,30,708.12	2,44,889.99
	Net Gain on derecognition of financial instruments under amortised cost category	24 (b)	2,870.11	9,140.47
	Dividend income	24 (c)	4.34	12.50
	Fees and commission income	24(d)	281.89	1,016.17
	Other operating income	25	16,738.74	16,632.93
	Total Revenue from operations		**1,50,603.20**	**2,71,692.06**
II	Other income	26	249.46	1,746.92
III	**Total income (I + II)**		**1,50,852.66**	**2,73,438.98**
IV	**Expenses**			
	Finance cost	27	60,921.90	1,03,426.01
	Impairment of financial instruments	28	1,01,313.83	1,74,304.77
	Employee benefit expenses	29	47,724.16	51,653.94
	Depreciation and amortisation expense	30	6,791.16	5,720.06
	Other expenses	31	17,679.33	19,434.74
	Total expenses (IV)		**2,34,430.38**	**3,54,539.52**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**(83,577.72)**	**(81,100.54)**
VI	**Exceptional items**		-	-
VII	**Profit / (Loss) before tax for the period (V- VI)**		**(83,577.72)**	**(81,100.54)**
VIII	**Tax expense**			
	(1) Current tax	11 (b)	-	-
	(2) Deferred tax charge / (credit)	11 (b)	(18,481.73)	(17,228.85)
	(3) Tax relating to earlier years	11 (b)	(7,190.22)	-
	Total Tax expense		**(25,671.95)**	**(17,228.85)**
IX	**Profit / (Loss) after tax for the period (VII - VIII)**	1,309.86	**(57,905.78)**	**(63,871.69)**
X	**Other comprehensive income**			
A	(i) Items that will not be reclassified to profit or loss:			
	a. Remeasurement gains and (losses) on defined benefit obligations (net)	23	(9.03)	(11.84)
	b. Fair value changes in equity instrument		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	23	2.27	2.98
	Subtotal (A)		**(6.76)**	**(8.86)**
B	(i) Items that will be reclassified to profit or loss			
	a. Fair value changes on derivatives designated as cash flow hedge (net)	23	(2.47)	(158.94)
	b. Fair value changes on Investment held as FVOCI	23	(595.42)	761.18
	(ii) Income tax relating to items that will be reclassified to profit or loss	23	150.48	(151.57)
	Subtotal (B)		**(447.41)**	**450.67**
	Other comprehensive Income / (Loss) for the period (A + B)		**(454.17)**	**441.81**
XI	**Total comprehensive Income / (Loss) for the period (IX + X)**		**(58,359.95)**	**(63,429.88)**
XII	**Earnings per equity share (Face Value of ₹ 10/- per share)**			
	- Basic (₹)	33	-20.60	-31.89
	- Diluted (₹)	33	-20.60	-31.89

Corporate Information and Significant Accounting Policies 1-4

The accompanying notes from 1 to 71 form an integral part of the Financial Information

As per our report of even date attached

For A. JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

K.V. Sivakumar
Partner
ICAI Membership Number: 027437

Date: April 30, 2026
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

G D Manoj Pasangha
Chief Executive Officer

Dr. Roy Varghese
Chief Executive Officer

Rajesh KRN Namboodiripad
Chief Financial Officer
Date: April 30, 2026
Place: Valapad

Mithun B Shenoy
Company Secretary

Statement of Cash Flow for the period ended March 31, 2026

CIN-U65923TN2007PLC064550

(All the amounts in Rs. Lakhs are stated)

	Particulars	Year ended March 31,2026	Year ended March 31, 2025
A	**Cash flow from operating activities**		
	Profit / (Loss) before tax for the year	**(83,577.72)**	**(81,100.54)**
	Adjustments for:		
	Depreciation and amortisation expense	7,068.54	5,759.67
	Impairment of financial instruments Amortisation of assets & Loss on derecognition of financial assets (Refer note no.10)	1,01,313.83	1,74,304.77
	Provision for insurance claim receivable	15.08	(229.93)
	Loss/(Profit) on sale of fixed assets (net)	(6.85)	(6.60)
	Dividend income	(4.34)	(12.50)
	Finance cost	60,921.90	1,03,426.01
	Interest on deposits	(4,084.01)	(9,075.35)
	Operating profit before working capital changes	**81,646.43**	**1,93,065.53**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Loans	3,880.81	1,63,074.68
	Loans given to staff	-	153.07
	Other financial assets	4,225.90	6,385.57
	Other non financial assets	(618.04)	(554.86)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	(161.72)	(76.15)
	Other financial liabilities	(969.57)	(9,582.44)
	Other non financial liabilities	26.40	(450.69)
	Other provisions	6.04	(26.87)
	Net cash flow generated / (used in) operations	**88,036.25**	**3,51,987.84**
	Net Income tax paid	(316.96)	(6,186.91)
	Net cash generated / (used in) in operating activities (A)	**87,719.29**	**3,45,800.93**
B	**Cash flow from investing activities**		
	Proceeds from sale of property, plant and equipment	32.59	6.93
	Purchase of property, plant and equipment	(1,867.55)	(3,091.20)
	Purchase of other intangible assets	(3,182.07)	(2,415.46)
	Net movement in bank deposits	14,673.14	(2,410.66)
	Dividend received	4.34	12.50
	Investments	(23,211.24)	(7,593.77)
	Interest income on deposits	5,522.16	8,427.90
	Net cash flow generated / (used in) from investing activities (B)	**(8,028.63)**	**(7,063.76)**
C	**Cash flow from financing activities**		
	Increase in Share Capital	13,235.29	-
	Increase in Security Premium	61,764.70	-
	Increase in Share application money pending allotment	79,059.05	
	Proceeds from long term borrowings- term loans	3,00,000.00	4,11,887.81
	Repayment of long term borrowings- term loans	(4,50,051.72)	(6,41,143.53)
	Interest paid on term loans	(46,313.82)	(83,816.96)

Statement of Cash Flow for the period ended March 31, 2026

CIN-U65923TN2007PLC064550

(All the amounts in Rs. Lakhs are stated)

Particulars	Year ended March 31,2026	Year ended March 31, 2025
Hedge liability		
Prepaid processing charges		
Proceeds from long term borrowings- debentures	29,500.00	-
Repayment of long term borrowings- debentures	(2,495.00)	(55,716.67)
Interest paid on debentures	(7,795.13)	(15,047.18)
Prepaid processing charges		
Interest paid on securitisation	(874.56)	(1,546.45)
Repayment of Over Draft	(0.10)	-
Interest paid on OD	(357.84)	(1.81)
Repayment of securitisation borrowings	(7,212.01)	(19,796.73)
Prepaid Processing Charges		
Proceeds from short term borrowings- commercial paper	13,874.91	-
Proceeds from Issue of Equity Shares		-
Repayment of short term borrowings- commercial paper	-	-
Interest paid on Commercial Borrowing		-
Processing and arranger Fee paid	(2,277.70)	(1,378.78)
Other interest and charges paid	(1,135.18)	(2,803.52)
Net cash flow generated / (used in) from financing activities (C)	**(21,079.11)**	**(4,09,363.82)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	58,611.55	(70,626.66)
Cash and cash equivalents at the beginning of the year	25,627.98	96,254.64
Cash and cash equivalents at the end of the year (Refer Note 5)	**84,239.53**	**25,627.98**
Cash and cash equivalents as per above comprise of the following		
(a) Cash on hand	490.42	974.88
(b) Balances with banks		
- In current accounts	4,677.79	20,895.50
- In deposit accounts- with original maturity of less than 3 months	79,071.32	3,757.60
Balance as per statement of cash flow	**84,239.53**	**25,627.98**

Corporate Information and Significant Accounting Policies 1-4

The accompanying notes from 1 to 71 form an integral part of the Financial Information

As per our report of even date attached

For A. JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

K.V. Sivakumar
Partner
ICAI Membership Number: 027437

Date: April 30, 2026
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

G D Manoj Pasangha
Chief Executive Officer

Dr. Roy Varghese
Chief Executive Officer

Rajesh KRN Namboodiripad
Chief Financial Officer
Date: April 30, 2026
Place: Valapad

Mithun B Shenoy
Company Secretary

Statement of Changes in Equity for the period ended March 31, 2026

CIN-U65923TN2007PLC064550

(All the amounts in Rs. Lakhs are stated)

A. Equity Share Capital

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the reporting period	20,028.34	20,028.34
Changes in Equity Share Capital due to prior period errors	-	-
Changes in Equity share capital during the current period / year	13,235.29	-
Balance at the end of the reporting period	**33,263.63**	**20,028.34**

B. Other Equity

(1) For the Period March 31, 2026

Particulars	Reserves and Surplus							Other Comprehensive Income					
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	Tax related to items that will not be reclassified	Total
Balance at the beginning of the current reporting period (As at April 01,2025)	81,113.74	23,657.55	500.00	-	154.30	25,823.61	(302.43)	84.91	0.55	490.54	(144.81)	69.49	1,31,447.45
Changes in accounting policy or prior period errors	-	-	-		-	-	-	-				-	-
Restated balance at the beginning of the current reporting period	81,113.74	23,657.55	500.00	-	154.30	25,823.61	(302.43)	84.91	0.55	490.54	(144.81)	69.49	1,31,447.45
Total Comprehensive Income for the current period	-	-	-	-	-	(57,905.78)	(9.03)	(2.47)	-	(595.42)	150.48	2.27	(58,359.95)
Issue of share capital	61,764.70	-	-	-	-	-	-	-	-	-	-	-	61,764.70
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To/From	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal during the period	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period(as at March 31, 2026)	**1,42,878.44**	**23,657.55**	**500.00**	**-**	**154.30**	**(32,082.16)**	**(311.46)**	**82.44**	**0.55**	**(104.88)**	**5.66**	**71.76**	**1,34,852.21**

Statement of Changes in Equity for the period ended March 31, 2026

CIN-U65923TN2007PLC064550

(All the amounts in Rs. Lakhs are stated)

(2) For the year ended March 31, 2025

Particulars	Reserves and Surplus												
	Securities Premium	Statutory Reserve	Capital redemption reserve	ESOP Contribution	General Reserve	Retained Earning (Surplus in statement of profit and loss)	Remeasurement Gain/Loss on Defined Benefit Obligation	Effective portion of Cash flow hedge	Equity instrument through other comprehensive income	Other instrument through other comprehensive income	OCI (Tax related to items that will be reclassified)	OCI (Tax related to items that will not be reclassified)	Total
Balance at the beginning of the current reporting period (As at April 01,2024)	81,113.74	23,657.55	500.00	16.93	141.64	89,695.30	(290.59)	243.85	0.55	(270.64)	6.76	66.51	1,94,881.60
Changes in accounting policy or prior period errors													-
Restated balance at the beginning of the current reporting period	81,113.74	23,657.55	500.00	16.93	141.64	89,695.30	(290.59)	243.85	0.55	(270.64)	6.76	66.51	1,94,881.60
Total Comprehensive Income for the current year	-	-	-	-	-	(63,871.69)	(11.84)	(158.94)	-	761.18	(151.57)	2.98	(63,429.88)
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To/From	-	-	-	(16.93)	16.93	-	-	-	-	-	-	-	-
Reversal During the Year	-	-	-	-	(4.27)	-	-	-	-	-	-	-	(4.27)
Balance at the end of the current reporting period(as at March 31,2025)	**81,113.74**	**23,657.55**	**500.00**	**-**	**154.30**	**25,823.61**	**(302.43)**	**84.91**	**0.55**	**490.54**	**-144.81**	**69.49**	**1,31,447.45**

The accompanying notes from 1 to 71 form an integral part of the Financial Information

This is the statement of changes in equity referred to in our report of even date

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

1 Corporate information

Asirvad Micro Finance Limited was incorporated in August 29, 2007 under the provisions of Companies Act, 1956. The Company is a Non-Banking Financial Company - Systemically Important Non-Deposit taking Company – Microfinance Institution (NBFC-MFI). The company is registered as a Microfinance Institution under the Non Banking Financial Company- Micro Finance Institution (Reserve Bank) Directions, 2011 as amended, vide RBI letter dated October 04, 2013 with Registration Number N-07-00769 dated October 04, 2013. The company's registered address is Ceebros Manjula, 3rd Floor, Office No - 1, New No.39, Old No. 45, Montieth Road, Egmore, Opp: Indian Red Cross Society, Chennai- 600008

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. The Company provides small value collateral free loans with fortnightly/ monthly repayments. The company follows the Grameen Model with suitable adoptions using the group where each member is responsible for the loan repayment of the other members of the group.

In addition to the core business of providing micro-credit, the company also provides secured loans to Micro Small and Medium Enterprise ('MSME') and also provides gold loans.

2 Basis of preparation and presentation of financial information

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

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

(ii) Historical cost convention

The financial information have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial information have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(iii) Critical accounting estimates and judgements

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

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

Business model assessment

The Company determines the business model at a level that reflects how the 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 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 accordingly prospective change to the classification of those assets are made.

Defined employee benefit assets and liabilities

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

Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Company makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance.

Provisions

Provisions created in respect of a range of future obligations such as litigation. Some of the provisions involve significant judgment about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate, which reflects both current interest rates and the risks specific to that provision.

Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of asset.

3 Summary of significant accounting policies

(a) Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the Straight Line Method over the useful life of the assets as prescribed under Part 'C' of Schedule II, which is also the the management's estimates of useful lives of such assets.

Asset class	Useful Life
Furniture and Fixtures including Electrical fittings	10
Leasehold Improvements	5
Office Equipment	5
Vehicles	8
Computers and others	3

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year. The residual value has been assigned as ₹ 1

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is de-recognised.

(b) Investment Property

Initial recognition and measurement

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

De-recognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognised.

(c) Intangible assets

Initial recognition and measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation method, useful lives and residual value)

Intangible assets are amortised over a period of three years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost.

Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and repair the asset to be capable of operating in the manner intended by management. These are recognised as assets when the company demonstrate following recognition requirements:

a. The development costs can be measured reliably

b. The project is technically and commercially feasible

c. The company intends to and has sufficient resources to complete the project

d. The company has the ability to use or sell such intangible asset

e. The asset will generate probable future economic benefits.

(d) Revenue recognition

Interest and processing fee income on loans

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

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets regarded as 'Stage 3', the Company recognizes interest income on the net amortized cost of financial assets at EIR. If financial asset is no longer credit-impaired, Company reverts to calculating interest income on a gross basis

Overdue interest is recognized only when it is reasonably certain that the ultimate collection will be made.

Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

Referral income

Income from cross sale services is recognized on accrual basis when the service is rendered taking into account the number of units sold at the rates applicable according to the terms of the agreement.

Interest on fixed deposits

Interest income on deposits with banks is recognized in time proportion basis taking into account the amount outstanding and the rate applicable using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

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

(e) Finance cost

Finance cost consists of interest and other cost that the Company incurred in connection with the borrowing of funds. All other finance costs are charged to the statement of profit and loss as incurred basis the effective interest rate method.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

(f) Taxation

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

(g) Employee benefits

Defined contribution plan

(i) Provident fund

This is a defined contribution plan where contributions are remitted to provident fund authorities in accordance with the relevant statute and charged to the Statement of Profit and Loss in the period in which the related employee services are rendered. The Company has no further obligations for future provident fund benefits in respect of these employees other than its monthly contributions.

Defined benefit plan

(i) Gratuity

The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

(ii) Compensated absences

The Company provides benefit of compensated absences under which unavailed leave are allowed to be accumulated to be availed in future. The compensated absences comprises of both vesting and non vesting benefit. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period.

Short-term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present obligation

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share based payments

The Company has formulated an Employees Stock Option Scheme. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity.

The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

(h) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

(i) Impairment of financial assets

The Expected Credit Loss (ECL) is being adopted for all products provided by the company

The Expected Credit Loss (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 12m ECL 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.

Both LTECLs and 12m ECLs are calculated on a collective basis for identified homogenous pool of loans.

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (0-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The ECL is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) is based on the amounts the Company expects to be owed at the time of default. Management overlay is included in determining the lifetime ECL. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss account.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

(k) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

(l) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset."

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(m) Financial instruments

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

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

Financial assets

Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortized cost

b. Fair Value Through Other Comprehensive Income (FVTOCI) or

c. Fair Value Through Profit or Loss (FVTPL).

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) Financial asset carried at amortised cost

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

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

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

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

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI)

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

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

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

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

(iii) Financial assets carried at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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. If the Company retains the right to service the financial asset for a fee, it recognises either a service asset or a service liability for that servicing contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the Company adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

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 that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

Classification and Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial instruments

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

(n) Derivative financial instruments

The Company enters into derivative financial instruments, cross currency swaps, to manage its borrowing exposure to foreign exchange.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge Accounting

Hedges that meet the criteria for hedge accounting are accounted for, as described below: Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as Finance Cost in the statement of profit and loss.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

(o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

(p) Segment reporting

The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

(q) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR / ₹), which is the Company's functional and presentation currency

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non- monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

(r) Securitisation and direct assignment

The securitised assets where the Company has not transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall not be de-recognized and proceeds received from securitisation shall be recognised as borrowings and interest thereon shall be recognised as finance cost.

The direct assignment transaction where the Company has transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments' shall be de-recognized. Similarly, the gain on sale of assets arising from a direct assignment transactions, has been recognised on de-recognition as interest only strip.

(s) Statement of cash flows

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

4 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

5 Cash and cash equivalents

	As at March 31,2026	As at March 31, 2025
Cash and cash equivalents		
(a) Cash on hand	490.42	974.88
(b) Balances with banks		
- In current accounts	4,677.79	20,895.50
- In deposit accounts- not covered under lien (less than 3 months)	79,071.32	3,757.60
	84,239.53	**25,627.98**

5.1

	As at March 31,2026	As at March 31, 2025
Of the above, the balances that meet the definition of cash and cash equivalents as per Ind AS 7 cash flow statements	84,239.53	25,627.98

6 Bank balance other than those disclosed in (a) above (Also, refer note 17.1)

	As at March 31,2026	As at March 31, 2025
Balances with Banks		
- In Deposit Accounts- not covered under lien (3 months & above)	676.83	627.25
- In Deposit Accounts- under lien (Refer note 6.1 below)	24,257.64	38,980.38
	24,934.48	**39,607.62**

6.1 Deposit accounts under lien comprise of:

Deposits (excluding accrued interest) amounting to ₹ 21,983.50 Lakhs(at March 31, 2025 ₹ 35,482.06 Lakhs) have been placed with certain banks for obtaining term loans.

Deposits (excluding accrued interest) ₹ 1,923.67 Lakhs (As at March 31, 2025 ₹ 1,719.66 Lakhs) are placed as credit enhancement (cash collateral) towards PTC transactions.

7(a) Loans (at amortised cost)

	As at March 31,2026	As at March 31, 2025
- Micro Finance Loans	4,30,957.96	6,68,792.42
- Gold Loans	2,04,525.44	99,575.15
- MSME Loans	1,830.33	5,504.09
Loans	6,37,313.73	7,73,871.66
Less: Impairment loss allowance	35,131.10	72,262.45
Total	**6,02,182.63**	**7,01,609.22**
(i) Secured		
Loans	2,06,031.92	1,03,579.92
Less: Impairment loss allowance	1,411.79	862.82
Sub Total	**2,04,620.13**	**1,02,717.10**
(ii) Unsecured		
Loans	4,31,281.81	6,70,291.74
Less: Impairment loss allowance	33,719.31	71,399.63
Sub Total	**3,97,562.50**	**5,98,892.11**
Grand Total	**6,02,182.63**	**7,01,609.22**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

7(b) Loans given to staff (at amortised cost)

	As at March 31,2026	As at March 31, 2025
Loans to Staff	-	-
	-	-

7.1

Particulars	As at March 31,2026	As at March 31, 2025
The loan receivables reflected in Note No. 7(a) excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognisation as per Ind AS 109. The amounts given are net of minimum retention retained in the books	44,009.14	54,394.43

7.2

Particulars	As at March 31,2026	As at March 31, 2025
Provisions as per RBI Income Recognition, Asset Classification and Provisioning Norms (IRACP norms)	20,000.14	21,497.53
Provisions as per ECL model under Ind AS 109	35,131.10	72,262.45
Amount recorded in the books	35,131.10	72,262.45

As at March 31, 2026

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss 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
(A)	(B)	(C)	(D)	E = (C-D)	(F)	(G) = (D-F)
Performing assets						
Standard	Stage 1	5,98,980.26	11,640.36	5,87,339.90	2,443.91	9,196.45
	Stage 2	6,264.72	2,393.16	3,871.56	25.36	2,367.80
Non Performing Assets (NPA)						
Substandard	Stage 3	25,961.75	17,079.86	8,881.89	11,818.76	5,261.10
Doubtful						
Up to one year	Stage 3	3,899.50	2,565.43	1,334.08	4,099.58	-1,534.15
1 to three year	Stage 3	2,056.82	1,353.15	703.67	1,460.77	-107.62
More than three year	Stage 3	150.69	99.13	51.55	151.76	-52.62
Subtotal for doubtful		**6,107.01**	**4,017.71**	**2,089.29**	**5,712.11**	**-1,694.39**
Total	**Stage 1**	**5,98,980.26**	**11,640.36**	**5,87,339.90**	**2,443.91**	**9,196.45**
	Stage 2	**6,264.72**	**2,393.16**	**3,871.56**	**25.36**	**2,367.80**
	Stage 3	**32,068.75**	**21,097.57**	**10,971.18**	**17,530.87**	**3,566.71**
Total		**6,37,313.73**	**35,131.10**	**6,02,182.64**	**20,000.14**	**15,130.96**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

As at March 31, 2025

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss 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
(A)	(B)	(C)	(D)	E = (C-D)	(F)	(G) = (D-F)
Performing assets						
Standard	Stage 1	6,51,342.83	14,930.23	6,36,412.60	2,661.18	12,269.05
	Stage 2	50,099.41	9,485.72	40,613.69	206.85	9,278.87
Non Performing Assets (NPA)						
Substandard	Stage 3	65,843.24	43,495.69	22,347.55	15,841.84	27,653.85
Doubtful						
Up to one year	Stage 3	5,002.86	3,304.87	1,698.00	1,881.15	1,423.72
1 to three year	Stage 3	1,440.38	951.51	488.87	767.56	183.95
More than three year	Stage 3	142.94	94.43	48.51	138.95	-44.53
Subtotal for doubtful		**6,586.18**	**4,350.80**	**2,235.39**	**2,787.66**	**1,563.13**
Total	**Stage 1**	**6,51,342.83**	**14,930.23**	**6,36,412.60**	**2,661.18**	**12,269.05**
	Stage 2	**50,099.41**	**9,485.72**	**40,613.69**	**206.85**	**9,278.87**
	Stage 3	**72,429.42**	**47,846.50**	**24,582.93**	**18,629.50**	**29,216.99**
Total		**7,73,871.66**	**72,262.45**	**7,01,609.22**	**21,497.53**	**50,764.91**

** The Loss Allowance Provision on all stages including Stage 3 is computed on Outstanding Balance i.e Principal Outstanding + Accrued Interest of advances before giving effect of Ind AS adjustments.*

7.3 The Stage wise break of loans reflected above (Refer Note 7a and 7b) is given below:

(A) As at March 31, 2026

Loan Receivables	Stage 1: 0-30 days	Stage 2: 31-90 days	Stage 3: >90 days
i. Loans considered as Qualifying Assets	3,95,657.47	5,744.18	29,062.94
ii. Loans considered as Non Qualifying Assets	2,03,322.79	520.54	3,005.81
Gross Carrying Amount of Loans	**5,98,980.26**	**6,264.72**	**32,068.75**
Less: Impairment loss allowance	11,640.36	2,393.16	21,097.57
Net Loans	**5,87,339.90**	**3,871.56**	**10,971.18**

(B) As at March 31, 2025

Loan Receivables	Stage 1: 0-30 days	Stage 2: 31-90 days	Stage 3: >90 days
i. Loans considered as Qualifying Assets	5,47,955.05	47,669.50	65,001.65
ii. Loans considered as Non Qualifying Assets	1,03,387.79	2,429.90	7,427.77
Gross Carrying Amount of Loans	**6,51,342.84**	**50,099.41**	**72,429.42**
Less: Impairment loss allowance	14,930.23	9,485.72	47,846.49
Net Loans	**6,36,412.61**	**40,613.68**	**24,582.93**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

7.4 Reconciliation of impairment allowance on Loans

Particulars	Amount
Impairment allowance as at March 31, 2024	**33,484.36**
Add: Impairment allowance provided in statement of Profit & Loss	1,74,304.77
Less: Impairment allowance Utilised for writing off Loss assets	1,12,763.41
Less: Impairment allowance Utilised for porfolio sold to ARC	13,252.94
Less: Impariment allowance provided for other Financial Assets	4,688.52
Less: Impariment allowance provided for Security Receipts	4,821.82
Impairment allowance as at March 31, 2025	**72,262.45**
Add: Impairment allowance provided in statement of Profit & Loss	1,01,313.83
Less: Impairment allowance Utilised for writing off Loss assets	59,586.55
Less: Impairment allowance Utilised for porfolio sold to ARC	69,342.51
Less: Impariment allowance provided for other Financial Assets	7,782.16
Less: Impariment allowance provided for Security Receipts	1,733.95
Impairment allowance as at March 31, 2026	**35,131.10**

7.5 Disclosure for securitisation of Standard Assets outstanding as on reporting date as per Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025.

Particulars	As at March 31, 2026	As at March 31, 2025
(i) No of SPVs sponsored by the NBFC for securitisation transactions		
a. Through Direct assignment	33	33
b. Through PTC	3	4
Total	**36**	**37**
(ii) Total amount of securitised assets as per books of the SPVs Sponsored		
a. Through Direct assignment	42,874.73	55,706.03
b. Through Pass through Ceritificates	11,780.70	22,070.42
Total	**54,655.43**	**77,776.45**
(iii) Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
First loss	4,833.84	6,203.92
Others	-	-
Pass through Ceritificates	-	-
(iv) Amount of exposures to securitisation transactions Other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitizations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	430.91	1,492.76
Others		-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Particulars			As at March 31, 2026	As at March 31, 2025
ii)	**Exposure to third party securitisations**			
	First loss		-	-
	Others		-	-
(v)	Sale consideration received for the securitised assets and gain / loss on sale on account of securitisation		35,744.92	60,491.72
(vi)	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		1,923.67	2,440.66
	MFI 11 2023 WELLINGTON		-	720.99
	AMFL DINKAN JAN 24		-	226.90
	MFI 08 2024 PARIS		716.24	716.24
	MFI 03 2025 INDUS		776.53	776.53
	MFI 02 2026 SKY		430.91	-
TOTAL			**1,923.67**	**2,440.66**
(vii)	Performance of facility provided.			
	Nature of facility	**Name**		
(a)	Amount paid		430.91 (7.00%)	
(b)	Repayment received	Credit enhancement MFI 02 2026 SKY	-	
(c)	Outstanding amount		430.91 (7.00%)	
(a)	Amount paid			716.24 (6.50%)
(b)	Repayment received	Credit enhancement MFI 08 2024 PARIS		-
(c)	Outstanding amount			716.24 (6.50%)
(a)	Amount paid			776.53 (7.00%)
(b)	Repayment received	Credit enhancement MFI 03 2025 INDUS		-
(c)	Outstanding amount			776.53 (7.00%)
(a)	Amount paid		**430.91 (7.00%)**	**1492.76 (6.75%)**
(b)	Repayment received	**TOTAL**	**-**	**-**
(c)	Outstanding amount		**430.91 (7.00%)**	**1492.76 (6.75%)**
(viii)	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		Nil	Nil
(ix)	Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.		Nil	Nil
(x)	Investor complaints			
(a)	Directly / Indirectly received and;		Nil	Nil
(b)	Complaints outstanding		Nil	Nil

7.6 Details of Financial Assets sold to Securitisation Company

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Total number of loan assets securitized during the year		
a. Through Direct assignment	66,481	111,168
b. Through PTC	14,958	48,885
	81,439	**160,053**
Book value of loan assets securitized during the year		
a. Through Direct assignment	33,765.92	45,468.06
b. Through PTC	6,155.85	22,112.26
	39,921.77	**67,580.32**
Sale consideration received during the year		
a. Through Direct assignment	30,389.33	40,921.26
b. Through PTC	5,355.59	19,570.46
	35,744.92	**60,491.72**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised		
a. Through Direct assignment	-	4,546.81
b. Through PTC	800.26	2,541.80
	800.26	**7,088.60**
Gain / (loss) on the securitization transaction recognised in P&L		
Through PTC & Direct assignment	2,870.11	9,140.47
Gain / (loss) on the securitization transactions deferred	-	-
Through PTC & Direct assignment	-	-
	2,870.11	**9,140.47**
Quantum of Credit Enhancement provided on the transactions in the form of deposits		
a. Through Direct assignment	-	-
b. Through PTC	430.91	1,492.76
	430.91	**1,492.76**
Quantum of Credit Enhancement as at year end		
a. Through Direct assignment	3,376.59	4,546.81
b. Through PTC	1,231.17	4,367.36
	4,607.76	**8,914.16**
Interest spread Recognised in the Statement of Profit and Loss during the Year		
a. Through Direct assignment	2,870.11	9,140.47
b. Through PTC	-	-
	2,870.11	**9,140.47**

Note: The securitised loans through PTC disclosed in the above notes, i.e 7.5 and 7.6 do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

7.7 No disclosure has been presented as per RBI notification RBI/2019-20/220 DOR,No.BP.DC.63/21.04,048/2020-21 Dated: April 17, 2020; as the balances are Nil.

8 Investments

	As at March 31,2026	As at March 31, 2025
Investments at fair value through other comprehensive income		
Outside India		
In India		
(i) Unquoted Equity instruments	-	5.75
(ii) Investment in Government Securities	20,301.37	20,889.19
Sub Total	**20,301.37**	**20,894.94**
Investments at fair value through Profit or Loss		
Outside India	**-**	**-**
In India		
(i) Investment in Security Receipts	50,595.13	26,336.52
(ii) Investment in Pass Through Certificates	332.80	786.60
Sub Total	**50,927.93**	**27,123.12**
Gross Total	**71,229.30**	**48,018.06**
Less: Allowance for impairment loss *	8,659.69	6,925.73
Total	**62,569.61**	**41,092.33**

** The Impairment allowance on security receipts have been arrived at after considering the valuation report. In the absence of NAV report the Company considers internal estimates.*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

9 Other financial assets

	As at March 31,2026	As at March 31, 2025
(a) Security deposits	1,024.61	1,041.12
(b) EIS Receivable on Direct assignments	903.58	2,744.47
(c) Funds in transit	1,018.88	711.81
(d) Others	483.16	3,173.82
	3,430.23	**7,671.21**

10 Current tax assets (net)

	As at March 31,2026	As at March 31, 2025
Advance income tax	8,115.67	8,194.08
	8,115.67	**8,194.08**

11(a) Deferred tax assets (net)

	As at March 31,2026	As at March 31, 2025
Deferred tax assets (net)	53,853.88	27,633.81
	53,853.88	**27,633.81**

11 (b) Current tax and deferred tax

(i) Income tax expense

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025
(a) Current tax in respect of current year	-	-
(b) Deferred tax relating to origination and reversal of temporary differences	(18,481.73)	(17,228.85)
(c) Tax relating to earlier year	(7,190.22)	-
Total tax expense recognised in statement of profit and loss	**(25,671.95)**	**(17,228.85)**

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025
Profit Before tax from operations	(83,577.72)	(81,100.54)
Income Tax using the company's domestic Tax rate #	(21,034.84)	(20,413.01)
Effect of income exempt from tax	-	-
Effect of other permanent differences	20.40	161.72
Effect on utilisation of accumulated losses during the year	-	-
Effect of change in tax rate	-	-
Effect of deferred tax remeasurement	2,532.71	3,022.44
Effect of change in previous year tax amount	(7,190.22)	-
Income tax recognised in the statement of profit & loss	**(25,671.95)**	**(17,228.85)**

The tax rate used for the year ended March 31, 2026 and March 31, 2025 reconciliations above are the Corporate tax rate of 22%, applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income tax act.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

(iii) Income tax on other comprehensive income

Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025
Deferred tax		
Remeasurement of defined benefit obligation	(2.27)	(2.98)
Fair value changes on Equity Investment held as FVOCI	-	-
Fair value changes on derivatives designated as cash flow hedge (net)	(0.62)	(40.01)
Fair value changes on Other Investment held as FVOCI	(149.86)	191.58
Total	**(152.75)**	**148.59**

(iv) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet

Particulars	For the year ended March 31, 2026				
	Opening Balance	(Charge)/Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/ deferred Tax liability:					
Property, plant and equipment	374.15	107.60	-	-	481.75
Provision for employee benefits	1,635.40	(719.68)	2.27	-	917.99
Provision for loan receivables	22,746.05	(11,724.82)	-	-	11,021.23
Provision for fraud insurance claim receivable	525.90	(525.91)	-	-	(0.00)
Effective interest rate on borrowings	625.64	(575.22)	-	-	50.42
Documentation fee on loans	1,264.40	(700.75)	-	-	563.65
Effect of implementation of Ind AS 116	567.55	93.05	-	-	660.61
Effective interest rate on DA and PTC loans	39.69	(149.35)	-	-	(109.65)
CY and PY Losses	-	40,262.38	-	-	40,262.38
Equity Investment held as FVOCI	(0.14)	-	-	-	(0.14)
Gain / loss on hedge valuation	(21.37)	-	0.62	-	(20.75)
Investment held as FVOCI	(123.47)	-	149.86	-	26.39
Total	**27,633.81**	**26,067.32**	**152.75**	**-**	**53,853.88**

Particulars	For the year ended March 31, 2025				
	Opening Balance	(Charge) / Credit recognised in			Closing Balance
		Recognised in profit and Loss	Recognised in OCI	Equity	
Tax effect of items constituting deferred tax assets/ deferred Tax liability:					
Property, plant and equipment	342.02	32.13	-	-	374.15
Provision for employee benefits	1,580.91	51.51	2.98	-	1,635.40
Provision for loan receivables	7,860.84	14,885.22	-	-	22,746.05
Provision for fraud insurance claim receivable	491.15	34.75	-	-	525.90
Effective interest rate on borrowings	243.31	382.33	-	-	625.64
Documentation fee on loans	1,043.44	220.96	-	-	1,264.40
Effect of implementation of Ind AS 116	573.98	(6.43)	-	-	567.55
Effective interest rate on DA and PTC loans	(1,588.77)	1,628.46	-	-	39.69
ESOP Contribution	4.32	-	-	(4.32)	-
Equity Investment held as FVOCI	(0.14)	-	-	-	(0.14)
Gain / loss on hedge valuation	(61.38)	-	40.01	-	(21.37)
Investment held as FVOCI	68.12	-	(191.59)	-	(123.47)
Total	**10,557.81**	**17,228.93**	**(148.60)**	**(4.32)**	**27,633.81**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ lakhs unless otherwise stated)

12 Property, plant and equipment, other intangible assets, Right of use assets and Intangible assets under development

Particulars	Property, plant and equipment											
	Investment Property - Land	Computers	Furnitures & Fixtures	Leasehold Improvements	Office Equipments	Vehicles	Freehold Land	Building	Total	Right of use asset	Other intangible assets- Softwares	Capital-Work-in-Progress (CWIP) and Intangible assets under development
Gross block												
As at March 31, 2024	**8.64**	**5,144.12**	**5,083.15**	**436.07**	**3,994.12**	**82.26**	**93.44**	**126.86**	**14,960.02**	**17,227.22**	**3,256.18**	**-**
Additions		733.62	838.06	134.35	1,003.75	-	356.93	24.49	3,091.20	2,850.16	2,415.45	-
Disposals		(801.55)	(38.06)	-	(159.18)	(9.44)	-	-	(1,008.23)	-		-
As at March 31, 2025	**8.64**	**5,076.19**	**5,883.15**	**570.42**	**4,838.69**	**72.82**	**450.37**	**151.35**	**17,043.00**	**20,077.39**	**5,671.63**	**-**
Additions		683.00	328.73	8.52	846.72	0.60			1,867.55	1,597.80	3,182.07	
Disposals		(1,364.81)	(45.37)	(0.97)	(216.45)	(12.79)			(1,640.38)	(337.59)	(1,153.04)	
As at March 31, 2026	**8.64**	**4,394.37**	**6,166.51**	**577.97**	**5,468.96**	**60.64**	**450.37**	**151.35**	**17,270.18**	**21,337.60**	**7,700.65**	**-**
Accumulated depreciation/ amortisation:												
As at March 31, 2024	**-**	**3,653.71**	**1,747.52**	**259.82**	**1,555.35**	**72.80**	**-**	**0.56**	**7,289.75**	**6,368.29**	**1,337.87**	**-**
Depreciation/Amortisation expense	-	994.92	439.09	63.64	612.59	3.34	-	6.22	2,119.81	3,059.20	1,270.95	-
Eliminated on Disposal of Assets	-	(801.10)	(37.47)	-	(120.27)	(9.44)	-	-	(968.28)	-	-	-
Depreciation Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**-**	**3,847.53**	**2,149.14**	**323.46**	**2,047.67**	**66.70**	**-**	**6.78**	**8,441.28**	**9,427.49**	**2,608.82**	**-**
Depreciation/Amortisation expense		1,202.48	549.97	78.99	856.53	3.30		9.06	2,700.33	**2,769.47**	1,916.30	
Eliminated on Disposal of Assets		(1,348.69)	(44.0)	(0.97)	(170.85)	(12.79)			(1,577.30)			
Depreciation Adjustments									-			
As at March 31, 2026	**-**	**3,701.31**	**2,655.11**	**401.48**	**2,733.35**	**57.22**	**-**	**15.84**	**9,564.31**	**12,196.96**	**4,525.12**	**-**
Net block												
As at March 31, 2024	8.64	1,490.41	3,335.63	176.25	2,438.77	9.46	93.44	126.30	7,670.27	10,858.93	1,918.31	-
As at March 31, 2025	8.64	1,228.65	3,734.01	246.96	2,791.02	6.12	450.37	144.57	8,601.71	10,649.89	3,062.81	-
As at March 31, 2026	8.64	693.06	3,511.40	176.48	2,735.61	3.42	450.37	135.51	7,705.87	9,140.64	3,175.54	-

Also refer Note 60 for Capital-Work-in-Progress (CWIP) and Intangible assets under development

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

13 Other non financial assets

	As at March 31, 2026	As at March 31, 2025
Other non financial assets		
(a) Goods & service tax credit (input) receivable	1,947.70	953.63
(b) Prepaid expenses	607.15	983.17
(c) Capital advances	-	-
(d) Opex advances	-	-
(e) Others	-	-
	2,554.84	**1,936.80**

14 Derivative financial instruments (Also, refer note 42.15)

	As at March 31,2026	As at March 31, 2025
Currency derivatives		
Cross Currency Interest rate swap		
- Notional Amount (Respective Currency converted at closing exchange rate)		
- Fair Value Asset	1,315.70	1,118.24
- Fair Value Liabilities	-	-
Total Notional value of Liabilities	**5,679.26**	**7,702.33**
Total Fair Value Assets	**1,315.70**	**1,118.24**
Total Fair Value Liabilities	**-**	**-**

Note: All the above derivative instruments are held for hedging and risk management purpose

15 Other payables

	As at March 31,2026	As at March 31, 2025
(a) Total outstanding dues of micro enterprises and small enterprises (Also, refer note 40)	-	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (Also, refer note no 56 for trade payables ageing)	1,883.66	2,045.38
	1,883.66	**2,045.38**

There are no dues payable as at March 31,2026 and March 31, 2025 to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

16 Debt securities (At amortised cost)

	As at March 31,2026	As at March 31, 2025
(a) Redeemable non-convertible debentures		
- Secured	7,313.82	2,485.04
- Unsecured *	22,274.59	1.84
(b) Commercial papers (Unsecured) (Refer Note 17.3)	14,462.72	-
	44,051.13	**2,486.87**
(i) Debt securities in India	44,051.13	2,486.87
(ii) Debt securities outside India	-	-
Also, refer note 17.4	**44,051.13**	**2,486.87**

** ₹ 8.38 Lakhs as on 31 st March, 2026 is the amount of unclaimed debentures lying in the Escrow Account*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

17 Borrowings (other than debt securities) (At amortised cost)

	As at March 31, 2026	As at March 31, 2025
(a) Secured		
- Term loan from banks	3,61,455.67	5,87,419.70
- Term loan from NBFCs	27,733.87	13,457.98
- Other financial institutions	5,636.80	7,601.26
	3,94,826.34	**6,08,478.94**
(b) Unsecured		
- Term loan from NBFCs	69,000.00	-
(c) Borrowings under securitisation arrangement	9,629.84	17,895.78
	4,73,456.19	6,26,374.72
Borrowings in India	**4,67,819.39**	**6,18,773.46**
Borrowings outside India	5,636.80	7,601.26
	4,73,456.19	**6,26,374.72**

17.1 Security on term loans from banks and others (Also, refer note 6)

All loans are secured by hypothecation of Micro Finance Loans and Gold Loans. Further, the Company has provided a specific lien on deposits with Banks (Refer (a) below) and also have deposits with other NBFCs for Term Loans (Refer (b) below)

	As at March 31, 2026	As at March 31, 2025
(a) Deposits with Banks & Others	24,257.64	38,980.37
(b) Deposits with NBFCs	-	-
	24,257.64	**38,980.37**

17.2 Details of cash credit from bank - Secured

(a) The cash credit facility is secured by hypothecation of Microfinance Loans

(b) The Company has not defaulted in the repayment of dues to Banks and NBFC's.

(c) The details of interest rate, tenor, repayment terms of the Short Term Borrowings are as follows:

Particulars	Interest Rate	March 31, 2026	March 31, 2025
Cash Credit	9.15%	4,998.79	-

17.3 (i) Details of commercial paper - Unsecured

Particulars	Tenor (Days)	Interest Rate	March 31, 2026	March 31, 2025
Bhangiya Gramin Vikash Bank	365	8.35%	4615.65	-
Bihar Gramin Bank	365	8.00%	9259.26	-

(ii) Details of commercial paper issued/repaid during the current year ended March 31, 2026

Particulars	Tenor (Days)	Discount rate (per annum)	Date of Transaction
Bhangiya Gramin Vikash Bank (Issued)	365	0.0835	10-07-2025
Bihar Gramin Bank (Issued)	365	0.08	23-09-2025

Details of commercial paper issued/repaid during the year ended March 31, 2025

Particulars	Tenor (Days)	Discount Rate (per annum)
-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

17.4 Details of terms of repayment- Debentures and subordinated liabilities

ISIN No	Type of NCD	No. of Debentures As at		Face value	Interest rate	Due date of redemption	Closing balance As at	
		March 31, 2026	March 31, 2025				March 31, 2026	March 31, 2025
INE516Q08331	Sub Debt	10,000	10,000	1,00,000.00	11.90%	June 26, 2026	10,000.00	10,000.00
INE516Q08372	Sub Debt	5,000	5,000	1,00,000.00	13.50%	December 31, 2027	5,000.00	5,000.00
INE516Q08380	Sub Debt	550	550	10,00,000.00	13.50%	May 31, 2027	5,500.00	5,500.00
INE516Q08398	Sub Debt	100	100	1,00,00,000.00	11.25%	October 03, 2028	10,000.00	10,000.00
INE516Q08406	Sub Debt	50	50	1,00,00,000.00	11.25%	November 25, 2028	5,000.00	5,000.00
INE516Q08414	Sub Debt	2,500	2,500	1,00,000.00	11.25%	March 31, 2029	2,500.00	2,500.00
INE516Q08422	Sub Debt	15,000	15,000	1,00,000.00	11.25%	May 16, 2029	15,000.00	15,000.00
INE516Q08430	Sub Debt	10,000	10,000	1,00,000.00	11.25%	July 07, 2030	10,000.00	10,000.00
INE516Q07465	Other Than Sub Debt	-	2,500	1,00,000.00	9.30%	January 20, 2026	0.00	2,500.00
INE516Q08448	Other Than Sub Debt	2,500	-	1,00,000.00	8.70%	August 12, 2028	2,500.00	-
INE516Q08455	Other Than Sub Debt	7,500	-	1,00,000.00	8.70%	August 29, 2028	7,500.00	-
INE516Q08463	Other Than Sub Debt	2,500	-	1,00,000.00	8.60%	September 19, 2027	2,500.00	-
INE516Q08471	Other Than Sub Debt	5,500	-	1,00,000.00	8.70%	September 19, 2028	5,500.00	-
INE516Q08489	Other Than Sub Debt	4,000	-	1,00,000.00	8.55%	October 14, 2027	4,000.00	-
INE516Q07473	Other Than Sub Debt	7,500	-	1,00,000.00	9.10%	March 30, 2028	7,500.00	-

**Principle Outstanding as per IGAAP*

17.5 Details of terms of repayment - term loans from bank and others

As at year ended March 31, 2026

Tenure	Repayment	Interest Range	Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above 5years	
			No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
1 to 3 year	2 Equal Installments	9% to 11%	1	6,000.00	-	-	-	-	-	-	-	-	-	-
	Bullet	7% to 9%	1	25,000.00	-	-	-	-	-	-	-	-	-	-
		9% to 11%	9	71,800.00	2	2,800.00	2	2,791.38	-	-	-	-	-	-
	Monthly	7% to 9%	74	15,741.86	6	833.33	-	-	-	-	-	-	-	-
		9% to 11%	234	87,468.88	137	49,957.74	33	10,375.54	-	-	-	-	-	-
	Quarterly	7% to 9%	12	10,393.80	2	913.43	-	-	-	-	-	-	-	-
		9% to 11%	84	96,433.29	39	46,886.56	-	-	-	-	-	-	-	-
		11% to 13.5%	4	2,400.00	4	2,400.00	-	-	-	-	-	-	-	-
	Half Yearly	9% to 11%	2	200.00	2	200.00	2	199.31	-	-	-	-	-	-
Above 3 year	Monthly	9% to 11%	11	2,229.73	12	2,432.43	12	2,432.43	1	202.63	-	-	-	-
	Quarterly	9% to 11%	4	6,000.00	4	6,000.00	4	4,800.00	1	1,200.00	-	-	-	-

**Principle Outstanding as per IGAAP*

As at year ended March 31, 2025

Tenure	Repayment	Interest Range	Due with in 1 year		Due within 1 to 2 year		Due within 2 to 3 year		Due within 3 to 4 years		Due within 4 to 5 years		Above 5years	
			No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
1 to 3 year	2 Equal installment	9%-11%	1	6,000.00	1	6,000.00	-	-	-	-	-	-	-	-
	Bullet	7%-9%	-	-	1	25,000.00	-	-	-	-	-	-	-	-
		9%-11%	2	2,500.00	-	-	-	-	-	-	-	-	-	-
	Monthly	7%-9%	17	4,791.67	7	2,187.50	-	-	-	-	-	-	-	-
		9%-11%	463	1,61,621.04	135	45,467.25	9	3,833.33	-	-	-	-	-	-
		11%-13.5%	5	3,350.00	-	-	-	-	-	-	-	-	-	-
	Quarterly	9%-11%	193	2,23,499.02	59	61,158.60	11	9,757.00	-	-	-	-	-	-
		11%-13.5%	4	8,400.00	4	2,400.00	4	2,400.00	-	-	-	-	-	-
	Half yearly	9%-11%	2	200.00	2	200.00	2	200.00	2.00	200.00	-	-	-	-
	Monthly	9%-11%	4	2,545.45	2	1,272.73	-	-	-	-	-	-	-	-
Above 3 year	Quarterly	9%-11%	4	6,000.00	4	6,000.00	4	6,000.00	4.00	4,800.00	1.00	1,200.00	-	-
	Bullet	9%-11%	2	2,800.00	2	2,800.00	2	2,800.00	2.00	2,800.00	-	-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

17.6 Reconciliation of liabilities arising from financing activities

Particulars	Debt securities (including subordinated liabilities)	Borrowings (other than debt)	Commercial Paper	Total*
March 31, 2024	**1,29,053.50**	**8,79,097.75**	-	**10,08,151.24**
Proceeds	-	4,11,887.81	-	4,11,887.81
Repayment	(55,716.67)	(6,41,143.53)	-	-6,96,860.20
Interest expense	3,066.74	83,490.02	-	86,556.76
Interest & Transaction cost paid	(15,047.18)	(83,816.96)	-	-98,864.14
Fair Value Changes	-	-	-	-
March 31, 2025	**61,356.39**	**6,49,515.09**	-	**7,10,871.48**
Proceeds	29,500.00	3,00,000.00	13,874.91	3,43,374.91
Repayment	(2,495.00)	(4,50,051.72)	-	-4,52,546.72
Interest expense	8,589.95	46,250.28	666.47	55,506.69
Interest & Transaction cost paid	(7,795.13)	(46,313.82)	-	-54,108.95
Fair Value Changes				-
March 31, 2026	**89,156.21**	**4,99,399.83**	**14,541.38**	**6,03,097.41**

**Principle Outstanding as per IGAAP*

18 Subordinated liabilities

	As at March 31,2026	As at March 31, 2025
Redeemable Non-Convertible Debentures (Unsecured)- Subordinated Debt (At Amortised Cost)	65,055.43	64,959.13
	65,055.43	**64,959.13**

18 (a) Lease Liability

	As at March 31,2026	As at March 31, 2025
(b) Lease liabilities (Also, refer note 34)	11,282.17	12,366.64
	11,282.17	**12,366.64**

19 Other financial liabilities

	As at March 31,2026	As at March 31, 2025
(a) Securitisation payable on Direct assignments	401.86	4,017.78
(b) Auction Surplus refundable	-	13.61
(c) Security deposit	125.12	-
(c) Other payables	2,715.20	5,470.51
(d) Employee related payables	3,017.98	5,421.11
(e) Overdraft	11,839.36	-
	18,099.52	**14,923.01**

20 (a) Current tax liabilities (net)

	As at March 31,2026	As at March 31, 2025
Provision for taxation (net)	-	-
	-	**-**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

20 (b) Provisions (Also, refer note 35)

	As at March 31,2026	As at March 31, 2025
(a) Provision for compensated absences	617.54	671.49
(b) Provision for gratuity	562.40	493.38
	1,179.94	**1,164.87**

21 Other non financial liabilities

	As at March 31,2026	As at March 31, 2025
(a) Statutory dues payable	1,044.33	1,017.93
(b) Other payables	-	-
	1,044.33	**1,017.93**

22 Equity share capital

	As at March 31,2026	As at March 31, 2025
Authorised*		
60,00,00,000 equity shares (March 31, 2025- 30,00,00,000) of ₹ 10/- each*	60,000.00	30,000.00
Issued, subscribed and paid up**		
33,26,36,312 shares (as at March 31, 2025 20,02,83,372 shares) of ₹ 10/- each	33,263.63	20,028.34

For each class of equity share capital:	No of equity share	Amount (Equity share) (in ₹ Lakhs)	Remarks
(a) the number and amount of shares authorized*	60,00,00,000	60,000.00	
(b) the number of shares issued, subscribed and fully paid, and subscribed but not fully paid;	33,26,36,312	33,263.63	
(c) par value per share;	10		
(d) a reconciliation of the number of shares outstanding at the beginning and at the end of the period;	Details given in Note 1		
(e) the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;	NA	NA	There is only one class as Equity share. The Company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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 shareholder Dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.
(f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;	32,78,30,810	98.56%	As on March 31, 2026 Holding company Manappuram Finance Limited(Details given as Note 2)
(g) shares in the company held by each shareholder holding more than five percent shares specifying the number of shares held;	32,78,30,810	98.56%	As on March 31, 2026 Holding company Manappuram Finance Limited(Details given as Note 2)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

For each class of equity share capital:	No of equity share	Amount (Equity share) (in ₹ Lakhs)	Remarks
(h) shares reserved for issue under options and contracts/ commitments for the sale of shares or disinvestment, including the terms and amounts;	NA	NA	
(i) For the period of five years immediately preceding the date at which the Balance Sheet is prepared:			
• Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;	NA	NA	
• Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and**	13,35,22,248	13,352.22	
• Aggregate number and class of shares bought back;			
(j) terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date;	NA	NA	
(k) calls unpaid (showing aggregate value of calls unpaid by Directors and officers);	NA	NA	
(l) forfeited shares (amount originally paid up)	NA	NA	
(m) An NBFC shall disclose information that enables users of its financial statements to evaluate the NBFC's objectives, policies and processes for managing capital.	NA	NA	

* *During the year ended March 31, 2024, the authorized preference share capital was sub-divided from 10,00,000 Preference Shares of ₹ 100 each to 1,00,00,000 Preference Shares of ₹ 10 each. Further the Company reclassified 1,00,00,000 Preference Shares of ₹ 10 each to 1,00,00,000 Equity Shares of ₹ 10 each and during the year ended March 31, 2024, the authorized equity share capital was increased from 10,00,00,000 equity shares of ₹ 10 each amounting to ₹ 10,000 Lakhs to 30,00,00,000 equity shares of ₹ 10 each amounting to ₹ 30,000 Lakhs which was duly approved by the board in meeting dated August 16, 2023 and by the shareholders of the Company by means of an ordinary resolution dated August 18, 2023.*

During the year ended March 31, 2026, the Company increased its authorized share capital from 30,00,00,000 equity shares of ₹ 10 each, aggregating to ₹ 30,000 lakhs, to 60,00,00,000 equity shares of ₹ 10 each, aggregating to ₹ 60,000 lakhs. This increase was approved by the Board of Directors at its meeting held on September 8, 2025, and subsequently by the shareholders of the Company by way of an ordinary resolution dated September 10, 2025.

i) The Board of Directors at their meeting held on 06th May, 2025 approved rights issue of 8,33,33,333 equity shares of ₹ 10/- each at a premium of ₹ 50/- per share amounting to ₹ 4,99,99,99,980/- which was allotted at the Board Meeting held on 06th June, 2025.

ii) The Board of Directors at their meeting held on 12th December, 2025 approved rights issue of 4,90,19,607 equity shares of ₹ 10/- each at a premium of ₹ 41/- per share amounting to ₹ 2,49,99,99,957/- which was allotted at the Board Meeting held on 29th December, 2025.

***iii) Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on August 16, 2023 had approved the bonus issue of two for every one share held on record date which was approved by the shareholders by means of a special resolution dated August 18, 2023. Through a Board resolution dated August 26, 2023, the Company has allotted 13,35,22,248 equity shares of ₹ 10 each as bonus shares to the existing equity shareholders of the Company.*

A company shall disclose Shareholding of Promoters** as below:

Shares held by promoters at the end of the year			% Change during the year***
Promoter name	**No. of Shares***	**%of total shares**	
Manappuram Finance Limited	32,78,30,810	98.56%	0.96%
Mr. V.P Nandakumar	778,209	0.23%	0.16%

** Details shall be given separately for each class of shares*

*** Pursuant to Board Resolution dated September 22, 2023, based on the current operations and management of the Company and the provisions of the Companies Act, SEBI Regulations and other applicable laws, Manappuram Finance Limited has been identified as the promoter of the Company. Pursuant to Board Resolution dated February 13, 2024, based on the current operations and management of the Company and the provisions of the Companies Act, SEBI Regulations and other applicable laws, Mr. V.P Nandakumar has been identified as the individual promoter of the Company.*

**** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Note 1

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at March 31, 2026		As at March 31, 2025	
	No. of shares*	Amount	No. of shares*	Amount
At the beginning of the year	20,02,83,372	20,028.33	20,02,83,372	20,028.33
Issued during the year	13,23,52,940	13,235.29	-	-
Outstanding at the end of the period/year	**33,26,36,312**	**33,263.62**	**20,02,83,372**	**20,028.33**

Note 2

Class of shares / Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No of shares held*	% holding in the class of shares	No of shares held*	% holding in the class of shares
Equity Shares of ₹ 10 each Manappuram Finance Limited (the Holding Company)	32,78,30,810	98.56%	19,54,85,619	97.60%

** No. of shares are in absolute numbers*

Note 3 Terms / Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. 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 shareholder

Dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend."

Employees Stock Option Scheme (ESOS) (Also, refer note no 52):

During the year ended March 31, 2020, the Company introduced Employee Stock Option Scheme to eligible employees of the Company w.e.f from July 01, 2019 ("Relevant Date"). Accordingly 8,30,000 options were issued with a graded vesting period and no options are outstanding as at March 31, 2026.

22.1 As on March 31, 2026, the company had received an amount of ₹ 790.59 Crores as share application money due for allotment of equity shares in the form of rights. The amount is held in separate accounts and excluded from total assets for the purpose of calculation of Qualifying Asset as per Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025. The shares were alloted on April 10, 2026.

23 Other equity

	As at March 31,2026	As at March 31, 2025
(a) Capital redemption reserve	500.00	500.00
(b) ESOP Contribution	-	-
(c) Statutory reserve	23,657.55	23,657.55
(d) Securities premium account	1,42,878.44	81,113.74
(e) General reserve	154.30	154.30
(f) Retained Earning (Surplus in statement of profit and loss)	(32,082.16)	25,823.61
(g) Remeasurement Gain/Loss On Defined Benefit Obligation	(311.46)	(302.43)
(h) OCI(Effective portion of cash flow hedge)	82.44	84.91
(i) Equity Investments Fair valued through other comprehensive income	0.55	0.55
(j) Other Investments Fair valued through other comprehensive income	(104.88)	490.54
(k) OCI(Tax related to items that will not be reclassified)	71.76	69.49
(l) OCI(Tax related to items that will be reclassified)	5.66	(144.81)
	1,34,852.21	**1,31,447.45**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

(a) Capital redemption reserve

In accordance with Section 69 of the Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve

(b) ESOP Contribution

Under Ind AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

(c) Statutory reserve

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve on the financial information.

(d) Securities Premium Account

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(e) General reserve

General reserve represents an appropriation of profits by the Company.

(f) Retained Earning (Surplus in statement of profit and loss)

Surplus in statement of profit and loss represents the surplus in Profit and Loss Account and appropriations.

(g) Other comprehensive income (OCI) - Remeasurement Gain/ Loss On Defined Benefit Obligation

Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability.

(h) OCI (Effective portion of cash flow hedge)

Represents remeasurement of cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI

(i) Equity Investments Fair valued through other comprehensive income

Represents the change in equity investments which is fair value through OCI

(j) Other Investments Fair valued through other comprehensive income

Represents the change in other investments which are fair value through OCI

(k) OCI (Tax related to items that will not be reclassified)

Represents the tax relating to items that will not be reclassified

(l) OCI (Tax related to items that will be reclassified)

Represents the tax relating to items that will be reclassified

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

	As at March 31,2026	As at March 31, 2025
(a) Capital redemption reserve		
Opening balance	500.00	500.00
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	**500.00**	**500.00**
(b) ESOS Contribution (Refer Note No. 54)		
Opening balance	-	16.93
Add/(Less): (Reversal)/Contribution during the year	-	-
Less: Adjustment for Forfeiture and Expiration	-	(16.93)
Less: Utilised during the year	-	-
Closing balance	**-**	**-**
(c) Statutory reserve		
Opening balance	23,657.55	23,657.55
Add: Additions during the year (Also, refer note no 52)	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	**23,657.55**	**23,657.55**
(d) Securities premium account		
Opening balance	81,113.74	81,113.74
Add: Premium on shares issued during the year	61,764.70	-
Less: Utilised during the year	-	-
Closing balance	**142,878.44**	**81,113.74**
(e) General reserve		
Opening balance	154.30	141.64
Add: Transferred from surplus in statement of profit and loss	-	-
Less: Utilised / transferred during the year	-	-
Add: Adjustment for Forfeiture and Expiration ESOP	-	16.93
Less: Adjustment for Deferred Tax	-	(4.27)
Closing balance	**154.30**	**154.30**
(f) Retained Earning (Surplus in statement of profit and loss)		
Opening balance	25,823.61	89,695.30
Add / (Less): Profit for the year	(57,905.78)	(63,871.69)
Less: Restatement Impact	-	-
Less:Transfer to Statutory Reserve	-	-
Closing balance	**(32,082.16)**	**25,823.61**
(g) Remeasurement Gain/Loss On Defined Benefit Obligation		
Opening balance	(302.43)	(290.59)
Add / (Less): Effect for the year	(9.03)	(11.84)
Less:Transfer to Statutory Reserve	-	-
Closing balance	**(311.46)**	**(302.43)**
(h) OCI (Effective portion of cash flow hedge)		
Opening balance	84.91	243.85
Add / (Less): Effect for the year	(2.47)	(158.94)
Closing balance	**82.44**	**84.91**
(i) Equity Investments Fair valued through other comprehensive income		
Opening balance	0.55	0.55
Less: Effect for the year	-	-
Closing balance	**0.55**	**0.55**
(j) Investments Fair valued through other comprehensive income		
Opening balance	490.54	(270.64)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

24 (a) Interest income (at Amortised Cost)

	Year ended March 31, 2026	Year ended March 31, 2025
(i) Interest income from loan:		
- Interest on loan- microfinance loans	1,00,225.72	2,11,895.64
- Interest on loan- Gold loans	25,823.56	22,713.58
- Interest on loan- MSME loans	574.83	1,205.42
- Interest income from investment	-	-
- Interest on deposit with Bank	2,545.26	7,263.60
- Interest on G-Sec and T bill	1,436.40	1,741.04
(ii) Other interest income		
- Interest on Security Deposit	102.35	70.71
	1,30,708.12	**2,44,889.99**

24 (b) Net gain on derecognition of financial instruments under amortised cost category

	Year ended March 31, 2026	Year ended March 31, 2025
Net gain on derecognition of financial instruments under amortised cost category- MFI	1,398.03	9,140.47
Net gain on derecognition of financial instruments under amortised cost category- GOLD	1,472.08	-
	2,870.11	**9,140.47**

24 (c) Dividend income

	Year ended March 31, 2026	Year ended March 31, 2025
Dividend income	4.34	12.50
	4.34	**12.50**

24 (d) Fees and commission income

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Servicer & Referral fees	281.89	1,016.17
	281.89	**1,016.17**

25 Other operating income

	Year ended March 31, 2026	Year ended March 31, 2025
Documentation Fee	8,980.04	14,996.90
Loss assets recovered	7,572.44	1,502.94
Others	186.25	133.09
	16,738.74	**16,632.94**

26 Other income

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Gain on sale of investments classified as FVOCI	-	13.50
(b) Miscellaneous income	249.46	1,733.42
	249.46	**1,746.92**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

27 Finance cost

	Year ended March 31, 2026	Year ended March 31, 2025
Finance cost on financial liability measured at amortised cost		
(a) Interest on borrowings		
- Term Loans from banks	43,953.32	83,905.61
- Term Loans from NBFCs	3,290.48	2,327.81
- Borrowings under securitisation arrangement	901.34	1,755.14
- Other financial institutions	-	-
- Commercial paper	769.69	-
- Overdraft	357.84	1.81
(b) Interest on debt securities		
- Debentures & subordinated liabilities	8,991.07	11,090.38
(c) Other interest expense		
- Interest on finance lease obligations	1,522.98	1,541.74
(d) Other Borrowing Costs		
- Loan processing fees	-	28.15
- Bank charges	1,135.18	2,775.38
	60,921.90	**103,426.01**

28 Impairment of financial instruments (Also, refer note 7.4)

	Year ended March 31, 2026	Year ended March 31, 2025
Loans	99,579.87	1,69,441.00
Investments	1,733.95	4,827.57
Other Financial Assets		36.20
	1,01,313.83	**1,74,304.77**
Less: Exceptional item	-	
	1,01,313.83	**1,74,304.77**

29 Employee benefit expenses

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Salaries and wages including gratuity expenses (Also, refer note 35)	44,556.79	47,962.57
(b) Contributions to provident and other funds	3,962.34	4,532.95
(c) Share Based payments to Employees (Refer Note No. 54)	-	-
(d) Staff welfare expenses	(794.97)	(841.58)
	47,724.16	**51,653.94**

30 Depreciation and amortisation expense (Also, refer note 12)

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Depreciation of tangible assets	2,105.39	2,119.81
(b) Amortization of other intangible assets	1,916.30	541.05
(c) Amortization of right of use asset	2,769.47	3,059.20
	6,791.16	**5,720.06**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

31 Other expenses

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Electricity	452.83	507.67
(b) Rent (Also, refer note 34)	1,344.68	667.07
(c) Repairs and maintenance	332.30	338.66
(d) Insurance	961.59	1,322.78
(e) Rates and taxes	555.61	351.29
(f) Communication expenses	1,479.29	1,371.65
(g) Travel and conveyance	4,772.91	6,512.29
(h) Printing and stationery	349.00	596.42
(i) Directors' sitting fees	76.40	83.31
(j) Business promotion	137.53	282.68
(k) CSR expenses (Also, refer note 50)	81.04	635.74
(l) Legal and professional fees	1,541.88	2,420.72
(m) Provision for insurance claim receivable	15.07	(229.93)
(n) Subscription charges	66.04	119.52
(o) Software costs (Also, refer note 36)	3,997.46	2,836.96
(p) Security charges	296.33	27.28
(q) House keeping expenses	192.22	232.31
(r) Office expenses	240.96	144.92
(s) Directors commission (Also, refer note 36)	135.00	177.67
(t) Loss on sale of property, plant & equipment	1.83	-
(u) Payments to statutory auditors' (net of input tax credit)		
- Statutory audit	26.95	26.95
- Tax audit	2.73	2.73
- Other services (Limited Review, Interim Audit and Certification)	11.45	11.28
- Out of pocket expenses	5.53	12.48
(v) Miscellaneous expenses	602.72	982.30
	17,679.33	**19,434.74**

32 Segment reporting

The Company is engaged in extending micro credit advances to poor women, who are otherwise unable to access finance from the mainstream banking channels. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Microfinance Loans. The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company, and makes strategic decisions and are identified as being the CODM. The allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations and no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities.

33 Earnings per share

Basic and Diluted earnings per share:

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Net Profit attributable to Equity Shareholders- ₹ in Lakhs (Basic and Diluted)	(57,905.78)	(63,871.69)
(b) Weighted average number of equity shares in calculating basic Earnings Per Share (Nos.)*	28,10,38,139.17	20,02,83,372.00
(c) Earnings per share- Basic ₹ (Per equity share, face value ₹ 10/- each)	(20.60)	(31.89)
(d) Weighted average number of equity shares in calculating Diluted Earnings Per Share (Nos.)*	28,10,38,139.17	20,02,83,372.00
(e) Earnings per share- Diluted- ₹ (Per equity share, face value ₹ 10/- each)	(20.60)	(31.89)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

34 Leases

	Year ended March 31, 2026	Year ended March 31, 2025
Details of Income/Expense recognised in the statement of Profit and Loss:		
Depreciation expense on right-of-use assets	2,769.47	3,059.20
Interest expense on lease liabilities	1,522.98	1,541.74
Total cash outflow for leases	3,728.38	3,825.13
Lease expense on Low Value Assets / Short term assets	1,344.68	667.07
	9,365.51	**9,093.15**

Maturity analysis of Lease Liabilities (valued on undiscounted basis):

	Year ended March 31, 2026	Year ended March 31, 2025
Year 1	2,915.02	3,050.73
Year 2	2,062.94	2,542.50
Year 3	1,561.00	1,773.70
Year 4	1,437.75	1,466.58
Year 5	5,670.52	6,996.74

35 Employee benefits

35.1 Defined contribution plan

(a) The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(b) Expenses recognised

	Year ended March 31, 2026	Year ended March 31, 2025
Included under 'Contributions to Provident and Other Funds' (Refer Note 29)		
Contributions to provident and pension funds	2,965.33	3,543.62
Contributions to Employee State Insurance	997.01	976.76
	3,962.34	**4,520.38**

35.2 Compensated absences

	Year ended March 31, 2026	Year ended March 31, 2025
Expenses recognised		
Included under salaries and wages (Refer Note 29)	209.36	288.26
	209.36	**288.26**

	Year ended March 31, 2026	Year ended March 31, 2025
Current portion	180.38	237.98
Non- current portion	437.16	433.51
Net liability/(asset) recognised in the balance sheet	**617.54**	**671.49**

35.3 The key assumptions used in the computation of provision for compensated absences are as given below:

		As at March 31, 2026	As at March 31, 2025
Discount Rate (% p.a)		6.10%	6.40%
Future Salary Increase (% p.a)		10.00%	10.00%
Attrition Rate	(i) below 35 years	35.00%	35.00%
	(ii) above 35 years	30.00%	30.00%

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

35.4 Defined benefit plans:

The Company provides for gratuity, a defined benefit plan, covering eligible employees. The benefit payable is calculated as per the Code on Social Security, 2020 (replacing the Payment of Gratuity Act, 1972) and the benefit vests upon completion of five years of continuous service (one year for fixed-term employees). Once vested, the amount is payable to employees on retirement or on termination of employment. In case of death or incapacitation while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

Liabilities with regard to this plan are determined by actuarial valuation, performed by an external actuary, using the projected unit credit method"

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows:

	As at March 31, 2026	As at March 31, 2025
Amounts recognised in statement of profit & loss		
Service cost		
- Current service cost	675.56	645.90
- Past service cost	36.47	-
- Net interest expense	20.08	23.76
Components of defined benefit costs recognised in statement of profit or loss (A)	**732.11**	**669.66**
Amounts recognised in statement of other comprehensive income		
Actuarial (gain)/loss on Plan Obligations	44.80	83.50
Difference between actual return and interest income on plan assets- (gain)/loss	(35.77)	(71.66)
Components of defined benefit costs recognised in other comprehensive income (B)	**9.03**	**11.84**
Total	**741.14**	**681.50**

(i) The current service cost and interest expense for the year are included in the Note 29- Employee benefit expenses in the statement of profit & loss under the line contribution to provident and other funds.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(iii) The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit credit method.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation	3,704.81	3,229.65
Fair value of plan assets	3,142.41	2,736.27
Net (Liability) recognised in the balance sheet	**(562.40)**	**(493.38)**
Current portion of the above	-	-
Non current portion of the above	(562.40)	(493.38)
	(562.40)	**(493.38)**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

(c) Movement in the present value of the defined benefit obligation are as follows:

	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation at the beginning of the year	3,229.65	2,784.35
Expenses recognised in profit and loss account		
- Current Service cost	675.56	645.90
- Past Service Cost	36.47	-
- Interest expense (income)	206.70	192.12
Remeasurement gains / (losses)	-	-
- Effect of Changes in Demographic assumptions	-	(80.89)
- Effect of Changes in financial assumptions	39.05	56.26
- Effect of experience adjustments	5.75	108.13
Benefit payments	(529.09)	(500.13)
Effect of transfer of employees from Holding Company	40.72	23.91
Present value of defined benefit obligation at the end of the year	3,704.81	3,229.65

(i) The weighted average duration of the benefit obligation at March 31, 2026 is 2 years (at March 31, 2025 is 2 years)

(d) Movement in fair value of plan assets are as follows:

	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	2,736.27	2,195.21
expenses recognised in profit and loss account		
- Expected return on plan assets	186.62	168.36
Remeasurement gains / (losses)		-
- Actuarial gains/(loss) arising form changes in financial assumptions	35.77	71.66
Contributions by employer (including benefit payments recoverable)	672.12	777.26
Benefit payments	(529.09)	(500.13)
Effect of transfer of employees from Holding Company	40.72	23.91
Fair value of plan assets at the end of the year	**3,142.41**	**2,736.27**

(e) The fair value of plan assets for India at the end of the reporting period for each category are as follows:

	As at March 31, 2026	As at March 31, 2025
Investment funds with insurance company (Life Insurance Corporation of India)	3,142.41	2,736.27

(i) The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.

(ii) The actual return on plan asset as for the year ended March 31, 2026 was ₹ 222.39 Lakhs (for the year ended March 31, 2025 was ₹ 240.02 Lakhs)

(f) The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	6.10%	6.40%
Expected rate of salary increase	10.00%	10.00%
Withdrawal Rate		
(i) below 35 years	35.00%	35.00%
(ii) above 35 years	30.00%	30.00%
Mortality Rate	IALM 2012-14 (Ult.)	IALM (2012-14) Ultimate

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

1. The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the projected term of the obligation.
2. The estimates of future salary increase considered taking into account an employee's seniority, promotion and other factors as well as inflation.
3. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund (maintained by the Life Insurance Corporation ("LIC")) and is well diversed.

Risks associated with plan provisions

Investment risk:

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the projected term of the obligations.

Interest risk:

A decrease in the yield of Indian government securities will increase the plan liability.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

Sensitivity analysis:

The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	As at March 31, 2026	As at March 31, 2025
(a) Discount rate		
- Increase by 50 bps	(63.63)	(55.35)
- Decrease by 50 bps	68.00	59.19
(b) Salary growth rate		
- Increase by 50 bps	64.22	56.66
- Decrease by 50 bps	(61.33)	(54.07)
(c) Withdrawal rate		
- Increase by 50 bps	(20.19)	(19.68)
- Decrease by 50 bps	21.03	20.50
(d) Mortality rate		
- Increase in Expected life time by one year	0.18	0.15
- Increase in Expected life time by three years	0.55	0.45

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

(g) Effect of plan on entity's future cash flows

(i) The Company expects to make a contribution of ₹ 800 Lakhs during FY 2026-27.

(ii) The weighted average duration of the benefit obligation at March 31, 2026 is 2 years (at March 31, 2025 is 2 years)

(iii) Maturity profile of defined benefit obligation:

Expected cash flows over the next (valued on undiscounted basis):

	As at March 31, 2026	As at March 31, 2025
Within 1 year	800.00	800.00
1 to 5 years	N/A	N/A
More than 5 years	N/A	N/A

Experience Adjustments

Experience Adjustments	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation	3,704.81	3,229.65
Fair value of plan assets	3,142.41	2,736.27
Surplus/(deficit)	(562.40)	(493.38)
Experience adjustment on plan liabilities [(Gain)/Loss]	(44.80)	(83.50)
Experience adjustment on plan assets [Gain/(Loss)]	35.77	71.66

36 Related party transactions

36.1 Names of related parties and nature of relationship

Nature of relationship	Name of the party
Key Management Personnel (KMP) of the company	Mr. V P Nandakumar- Chairman *
	Mr. S V Raja Vaidyanathan- Non Independent Director
	Mr. Gautam Rathindranath Saigal- Non Independent Director
	Mr. Abhijit Sen- Independent Director
	Ms. Anita Belani- Independent Director
	Mr. Desh Raj Dogra- Independent Director
	Mr. Subrata Kumar Atindra Mitra- Independent Director
	Mr. T Balakrishnan- Independent Director
	Ms. Pushya Sitaraman- Independent Director
	Mr. Harshan Kollara- Independent Director
	Mr. Rajesh KRN Namboodiripad- Chief Financial Officer
	Ms. Aparna Menon- Company Secretary (till February 28, 2026)
	Mr. Mithun B Shenoy- Company Secretary (w.e.f March 1, 2026)
	Dr. Roy Varghese- Chief Executive Officer
	Mr. Satish C K Kutty Nair (w.e.f June 03, 2024 till July 27, 2024) *
	Mr. Manoj Gerard David Pasangha- Chief Executive Officer
Holding company	Manappuram Finance Limited
Key Management Personnel (KMP) of the holding company	Ms. Sumitha Nandan- Executive Director of Manappuram Finance Limited *
	Mr. Deepak Reddy- Chief Executive Officer *
	Mr. Buvanesh Tharashankar- Group Chief Financial Officer *
	Mr. Manoj Kumar V R- Company Secretary of Manappuram Finance Limited *
	Ms. Bindu A L- Chief Financial Officer of Manappuram Finance Limited *
Group Entities	Manappuram Comptech and Consultants Limited
	Manappuram Insurance Brokers Limited *
	Manappuram Home Finance Limited *

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Nature of relationship	Name of the party
Associates / Enterprises owned or significantly influenced by key management personnel or their relatives.	MAFIN Enterprise*
	Manappuram Travels*
	Manappuram Chits*
	Earthables Projects LLP *
	Manappuram Chits (Karnataka) Private Limited*
	Manappuram Chit Funds Company Private Limited*
	Adlux Medicity And Convention Centre Private Limited*
	SNST Advisories Private Limited*
	DTA Advisory Private Limited*
	DTB Advisory Private Limited*
	DT3 Advisory Private Limited*
	Orange Retail Finance India Private Limited*
	Finance Industry Development Council*
	Macare Dental Care Private Limited *
	Manappuram Health Care Limited*
	Manappuram Construction and Consultants Limited*
	Manappuram Finance Limited
	Manappuram Chits (India) Limited*
	Manappuram Agro Farms Limited*
	Manappuram Jewellers Limited *
	Manappuram Asset Finance Limited*
	MABEN Nidhi Limited *
	Manappuram Foundation
	Mukundapuram Educational and Cultural Society*
	IIM, Calicut*
	Federation of Indian Chambers of Commerce and Industry*
	Manappuram Finance Empolyees Group Gratuity Fund Trust *
	Sanjeev Enterprises *
	Abirami Consultants And Securities Private Limited*
	Proficient Investment And Financial Consultancy Private Limited*
	Acsys Investments Private Limited*
	Media Works Private Limited*
	Farvision Securities Private Limited *
	Aham Housing Finance Limited *
	Asirvad Development Foundation *
	PPFAS Asset Management Private Limited *
	QSK Advisory LLP *
	Pachira Financial Services LLP *
	Bonanza Business Services Private Limited *
	Muralya Dairy Products Private Limited *
	Shiksha Financial Services India Private Limited *
	M Power Micro Finance Private Limited *
	Infomerics Valuation and Rating Limited
	Fenca Limited, UK (Erstwhile known as Fast Encash Money Transfer Services, UK) *
	Morgan & Harvey Services Ltd, UK *
	Value Finance Corporation Limited, UK *
	Value Finance Ltd, UK *
Relatives of Key Management Personnel (KMP) of the company and the holding company	Ms. Sushama Nandakumar (Wife of Mr. V P Nandakumar)*
	Mr. Sooraj Nandan (Son of Mr. V P Nandakumar)*
	Mr. Suhas Nandan (Son of Mr. V P Nandakumar)*
	Ms. Shruti Sooraj (Son's wife of V P Nandakumar)*
	Ms. Niniraj (Son's wife of V P Nandakumar)*
	Mr. Jayasankar (Daughter's Husband of V P Nandakumar)*
	Ms. Jyothi Prasannan (Sister of V P Nandakumar*
	Ms. Shelly Ekalavian (Sister of V P Nandakumar) *
	Ms. Girija Vaidyanathan (Wife of Mr. S V Raja Vaidyanathan)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Nature of relationship	Name of the party
	Mr. Venkataraman Vaidyanathan Sattanathapuram (Father of Mr. S V Raja Vaidyanathan)*
	Ms. Alamelu Venkataraman (Mother of Mr. S V Raja Vaidyanathan)*
	Mr. Sanjeev Vaidyanathan (Son of Mr. S V Raja Vaidyanathan)*
	Ms. Anjana Vaidyanathan (Daughter of Mr. S V Raja Vaidyanathan)*
	Ms. Saisudha (Son's wife of Mr. S V Raja Vaidyanathan)*
	Mr. Anand Ramakrishnan (Daughter's Husband of Mr. S V Raja Vaidyanathan)*
	Mr. S V Sekar (Brother of Mr. S V Raja Vaidyanathan)*
	Mr. S V Krishnamurthy (Brother of Mr. S V Raja Vaidyanathan) *
	Ms. Susila Sethuraman (Sister of Mr. S V Raja Vaidyanathan) *
	HUF: Subrata Kumar Mitra- Karta*
	Ms. Susmita Mitra (Wife of Mr. Subrata Kumar Atindra Mitra)*
	Ms. Sanjukta Mitra Sethu (Daughter of Mr. Subrata Kumar Atindra Mitra)*
	Ms. Srimoyee Mitra (Daughter of Mr. Subrata Kumar Atindra Mitra)*
	Mr. Uttam D Belani (Father of Ms. Anita Belani)*
	Mr. Rajesh Belani (Brother of Ms. Anita Belani)*
	Ms. Sunita Tendolkar (Sister of Ms. Anita Belani)*
	Ms. Renu Motwani (Step Sister of Ms. Anita Belani) *
	Mr. Santosh Sethu Madhavan (Daughter's Husband of Mr. Subrata Kumar Atindra Mitra)*
	Mr. Gabriel Sirois (Daughter's Husband of Mr. Subrata Kumar Atindra Mitra)*
	Mr. Sujit Kumar Mitra (Brother of Mr. Subrata Kumar Atindra Mitra)*
	Mr. Sudhish Mitra (Brother of Mr. Subrata Kumar Atindra Mitra)*
	Ms. Chitra Guha Roy (Sister of Mr. Subrata Kumar Atindra Mitra) *
	Ms. Seema Saigal (Wife of Mr. Gautam Rathindranath Saigal)*
	Ms. Srishti Saigal (Daughter of Mr. Gautam Rathindranath Saigal)*
	Mr. Rathindranath Saigal (Father of Mr. Gautam Rathindranath Saigal)*
	Mr. Rahul Saigal (Brother of Mr. Gautam Rathindranath Saigal) *
	Ms. Bindu Balakrishnan (Wife of Mr. T Balakrishnan)*
	Mr. Vishnusai Balakrishnan (Son of Mr. T Balakrishnan)*
	Mr. Sivasai Balakrishnan (Son of Mr. T Balakrishnan)*
	Ms. Alex Arabit Sai (Son's wife of Mr. T Balakrishnan)*
	Mr. T. Raveendran (Brother of Mr. T Balakrishnan)*
	Ms. T. Vijayalakshmy (Sister of Mr. T Balakrishnan) *
	Mr. C R Sitaraman (Husband of Ms. Pushya Sitaraman)*
	Mr. Subbarayaiyer Padmanabhan Father of Ms. Pushya Sitaraman)*
	Ms. Sharanya Sitaraman (Daughter of Ms. Pushya Sitaraman)*
	Ms. Varsha Sitaraman (Daughter of Ms. Pushya Sitaraman)*
	Mr. Anand Nandakumar (Daughter's Husband of Ms. Pushya Sitaraman)*
	Mr. Tanuj Mehra (Daughter's Husband of Ms. Pushya Sitaraman)*
	Mr. P Raghunandan (Brother of Ms. Pushya Sitaraman)*
	Ms. Jayanthi Sekhar (Sister of Ms. Pushya Sitaraman)*
	Ms. Suman Sambamurthy (Sister of Ms. Pushya Sitaraman) *
	Ms. Tamashree Sen (Wife of Mr. Abhijit Sen)*
	Ms. Arati Sen (Mother of Mr. Abhijit Sen)*
	Mr. Rohan Sen (Son of Mr. Abhijit Sen)*
	Mr. Vivek Sen (Son of Mr. Abhijit Sen)*
	Ms. Snehal Naik (Son's wife of Mr. Abhijit Sen)*
	Ms. Amanda Barbee (Son's wife of Mr. Abhijit Sen)*
	Mr. Bishwajit Sen (Brother of Mr. Abhijit Sen) *
	Ms. Rama Dogra (Wife of Mr. Desh Raj Dogra)*
	Mr. Ram Ditta Dogra (Father of Mr. Desh Raj Dogra)*
	Ms. Aashima A Freitag (Daughter of Mr. Desh Raj Dogra)*
	Ms. Arti S Mhatre (Daughter of Mr. Desh Raj Dogra)*
	Mr. Armin Freitag (Daughter's Husband of Mr. Desh Raj Dogra)*
	Ms. Samit Mhatre (Daughter's Husband of Mr. Desh Raj Dogra)*
	Mr. Subhash Dogra (Brother of Mr. Desh Raj Dogra)*
	Ms. Sarmishta Dogra (Sister of Mr. Desh Raj Dogra)*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Nature of relationship	Name of the party
	Ms. Kamlesh Sharma (Sister of Mr. Desh Raj Dogra) *
	Mr. Nandakumar Kollara (Son of Mr. Harshan Kollara)*
	Mr. Jaihari Kollara (Son of Mr. Harshan Kollara)*
	Ms. Elena T Kollara (Son's wife of Mr. Harshan Kollara)*
	Dr. Sugathan Kollara (Brother of Mr. Harshan Kollara)*
	Mr. Sreenath Kollara (Brother of Mr. Harshan Kollara)*
	Ms. Sarala K S (Sister of Mr. Harshan Kollara)*
	Ms. Jayanthy K S (Sister of Mr. Harshan Kollara)*
	Ms. Sunitha K S (Sister of Mr. Harshan Kollara) *
	Ms. Lysa C M (Wife of Dr. Roy Varghese) *
	Mr. A K Varkey (Father of Dr. Roy Varghese) *
	Ms. Mary Varkey (Mother of Dr. Roy Varghese) *
	Mr. Rojal Roy (Son of Dr. Roy Varghese) *
	Ms. Sanjana Merlin Roy (Daughter of Dr. Roy Varghese) *
	Ms. Stanita Sheeba Pasangha (Wife of Mr. Manoj Gerard David Pasangha) *
	Ms. Marie Pasangha (Mother of Mr. Manoj Gerard David Pasangha) *
	Ms. Elaina Pasangha (Daughter of Mr. Manoj Gerard David Pasangha) *
	Ms. Eva Pasangha (Daughter of Mr. Manoj Gerard David Pasangha) *
	Mr. Christopher D'souza (Daughter's husband of Mr. Manoj Gerard David Pasangha) *
	Mr. Joseph Pasangha (Brother of Mr. Manoj Gerard David Pasangha) *
	Ms. Dhanya (Wife of Mr. Rajesh KRN Namboodiripad)*
	Ms. Parvathy Devi (Mother of Mr. Rajesh KRN Namboodiripad)*
	Ms. Anushree (Daughter of Mr. Rajesh KRN Namboodiripad) *
	Ms. K R Rekha (Sister of Mr. Rajesh KRN Namboodiripad) *
	Ms. Roshni G Pai (Wife of Mr. Mithun B Shenoy)*
	Mr. V V Balagopala Shenoy (Father of Mr. Mithun B Shenoy)*
	Ms. Geetha Balagopal (Mother of Mr. Mithun B Shenoy) *
	Ms. Silpa V B (Sister of Mr. Mithun B Shenoy) *
	Mr. Adarsh Govind (Husband of Ms. Aparna Menon)*
	Ms. Beena Menon (Mother of Ms. Aparna Menon)*
	Ms. Samara Adarsh (Daughter of Ms. Aparna Menon)*
	Ms. Anjana Menon (Sister of Ms. Aparna Menon) *
	Mr. Benny (Husband of Ms. Bindu A L)*
	Ms. Rosily Lonappan (Mother of Ms. Bindu A L)*
	Mr. Amal Benny (Son of Ms. Bindu A L)*
	Ms. Anna Ben (Daughter of Ms. Bindu A L)*
	Mr. Biju A.L (Brother of Ms. Bindu A L)*
	Mr. Nelson A.L (Brother of Ms. Bindu A L) *
	Ms. Anushka Jayasankar (Daughter of Ms. Sumitha Nandan)*
	Ms. Aashirya Jayasankar (Daughter of Ms. Sumitha Nandan) *
	Mr. E R Reddy (Father of Mr. Deepak Reddy) *
	Ms. Krishna Reddy Bharathi Reddy (Mother of Mr. Deepak Reddy) *
	Ms. Kavitha Reddy (Wife of Mr. Deepak Reddy) *
	Mr. Chaithanya Reddy (Son of Mr. Deepak Reddy) *
	Mr. Adithya Reddy (Son of Mr. Deepak Reddy) *
	Ms. Sangeetha Reddy (Sister of Mr. Deepak Reddy) *
	Ms. Saraswathi Buvanesh (Wife of Mr. Buvanesh Tharashankar) *
	Ms. Chandra Tharashankar (Mother of Mr. Buvanesh Tharashankar) *
	Mr. Anuridh Buvanesh (Son of Mr. Buvanesh Tharashankar) *
	Ms. Akshaya Buvanesh (Daughter of Mr. Buvanesh Tharashankar) *
	Ms. Siji MG (Wife of Mr. Manoj Kumar V R)*
	Mr. Raman V K (Father of Mr. Manoj Kumar V R)*
	Ms. Vilasini V K (Mother of Mr. Manoj Kumar V R)*
	Mr. Harikrishna M Manoj (Son of Mr. Manoj Kumar V R)*
	Mr. Naveen Kumar V R (Brother of Mr. Manoj Kumar V R) *
	Mr. Praveen V R (Brother of Mr. Manoj Kumar V R)*
	Ms. Geetha V R (Sister of Mr. Manoj Kumar V R) *

** No transactions with these related parties during the current financial year*

Note: Related party relationships are as identified by the Management.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

36.2 Details of exposures to related parties as defined in Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025

(All amounts in ₹ lakhs unless otherwise stated)

Sr. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A.	**Loans to Related Parties**		
1.	Aggregate value of loans sanctioned to related parties during the year	-	-
2.	Aggregate value of outstanding loans to related parties as on March 31	-	-
3.	Aggregate value of outstanding loans to related parties as a proportion of total credit exposure as on March 31 (in %)	-	-
4.	Aggregate value of outstanding loans to related parties which are categorized as:	-	-
	(i) Special Mention Accounts as on March 31	-	-
	(ii) Non-Performing Assets as on March 31	-	-
5.	Amount of provisions held in respect of loans to related parties as on March 31	-	-
B.	**Contracts and Arrangements involving Related Parties**		
6.	Aggregate value of contracts and arrangements awarded to related parties during the year		
	Manappuram Finance Limited	2,38,188.02	1,795.59
	Manappuram Comptech and Consultants Limited	1,732.63	2,700.82
	Manappuram Foundation	183.53	556.54
	Infomerics Valuation and Rating Private Limited	4.48	14.91
	Mr. S V Raja Vaidyanathan	46.42	46.42
	Mrs. Girija Vaidyanathan	4.10	4.10
7.	Aggregate value of outstanding contracts and arrangements involving related parties as on March 31		
	Manappuram Finance Limited	85,331.51	16,496.19
	Manappuram Comptech and Consultants Limited	59.13	161.3

Note

1. Loan availed and repaid are taken in absolute terms
2. Expenses and income are taken in absolute terms
3. Right share issue and share application pending allotment are also considered under contracts and arrangements
4. Aggregate value outstanding includes loan and sub debt from Manappuram Finance Limited

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

36.3 Related Party Transactions during the year

Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dt. November 28, 2025 (Updated as on April 1, 2026):

Related Party	Parent (as per ownership or control)		Key Management		Relatives of Key Management Personnel		Other related parties		Total	
Items	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**
Transactions with related parties										
Sitting fees to Directors	-	-	76.40	83.30	-	-	-	-	76.40	83.30
Mr. Abhijit Sen	-	-	8.62	9.83	-	-	-	-	8.62	9.83
Ms. Anita Belani	-	-	3.27	5.07	-	-	-	-	3.27	5.07
Mr. D R Dogra	-	-	8.43	10.15	-	-	-	-	8.43	10.15
Mr. Gautam Saigal	-	-	8.82	10.34	-	-	-	-	8.82	10.34
Mr. Harshan Kollara	-	-	8.56	10.18	-	-	-	-	8.56	10.18
Ms. Pushya Sitaraman	-	-	7.12	7.18	-	-	-	-	7.12	7.18
Mr. Subrata Kumar Atindra Mitra	-	-	6.15	6.65	-	-	-	-	6.15	6.65
Mr. S V Raja Vaidyanathan	-	-	12.65	11.89	-	-	-	-	12.65	11.89
Mr. T Balakrishnan	-	-	12.79	12.01	-	-	-	-	12.79	12.01
Commission (Excl. GST)	**-**	**-**	**135.00**	**-**	**-**	**-**	**-**	**-**	**135.00**	**-**
Mr. Abhijit Sen	-	-	14.00	-	-	-	-	-	14.00	-
Mr. D R Dogra	-	-	19.50	-	-	-	-	-	19.50	-
Mr. Gautam Saigal	-	-	17.50	-	-	-	-	-	17.50	-
Mr. Harshan Kollara	-	-	17.50	-	-	-	-	-	17.50	-
Ms. Pushya Sitaraman	-	-	17.50	-	-	-	-	-	17.50	-
Mr. Subrata Kumar Atindra Mitra	-	-	17.50	-	-	-	-	-	17.50	-
Mr. S V Raja Vaidyanathan	-	-	14.00	-	-	-	-	-	14.00	-
Mr. T Balakrishnan	-	-	17.50	-	-	-	-	-	17.50	-
Performance Incentive	**-**	**-**	**60.00**	**-**	**-**	**-**	**-**	**-**	**60.00**	**-**
Mr. BN Raveendra Babu	-	-	60.00	-	-	-	-	-	60.00	-
Bonus	**-**	**-**	**35.40**	**-**	**-**	**-**	**-**	**-**	**35.40**	**-**
Mr. Gerard David Manoj Pasangha	-	-	35.40	-	-	-	-	-	35.40	-
Remuneration to KMP	**-**	**-**	**227.97**	**220.13**	**-**	**-**	**-**	**-**	**227.97**	**220.13**
Mr. BN Raveendra Babu	-	-	23.70	152.68	-	-	-	-	23.70	152.68
Mr. Gerard David Manoj Pasangha	-	-	93.23	-	-	-	-	-	93.23	-
Mr. Roy Varghese	-	-	55.91	-	-	-	-	-	55.91	-
Mr. Rajesh KRN Namboodiripad	-	-	34.83	33.17	-	-	-	-	34.83	33.17
Ms. Aparna Menon	-	-	18.64	19.55	-	-	-	-	18.64	19.55
Mr. Mithun B Shenoy	-	-	1.66	-	-	-	-	-	1.66	-
Mr. Satish C K Kutty Nair	-	-	-	14.73	-	-	-	-	-	14.73

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Related Party	Parent (as per ownership or control)		Key Management		Relatives of Key Management Personnel		Other related parties		Total	
Items	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**
Issue of Right Shares (Including Securities Premium)	**74,996.05**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**74,996.05**	**-**
Manappuram Finance Limited	74,996.05	-	-	-	-	-	-	-	74,996.05	-
Share application pending allotment	**79,059.05**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**79,059.05**	**-**
Manappuram Finance Limited	79,059.05	-	-	-	-	-	-	-	79,059.05	-
Loan Availed	**75,000.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**75,000.00**	**-**
Manappuram Finance Limited	75,000.00	-	-	-	-	-	-	-	75,000.00	-
Loan Repaid	**6,000.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,000.00**	**-**
Manappuram Finance Limited	6,000.00	-	-	-	-	-	-	-	6,000.00	-
Rent & other amenities	**1.83**	**19.97**	**-**	**-**	**-**	**-**	**-**	**-**	**1.83**	**19.97**
Manappuram Finance Limited	1.83	19.97	-	-	-	-	-	-	1.83	19.97
Rent receivable (Including Reimburesement)	**-**	**23.52**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**23.52**
Manappuram Finance Limited	-	23.52	-	-	-	-	-	-	-	23.52
Training expenses	**-**	**64.60**	**-**	**-**	**-**	**-**	**0.11**	**-**	**0.11**	**64.60**
Manappuram Finance Limited	-	64.60	-	-	-	-	-	-	-	64.60
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	0.11	-	0.11	-
Interest Expense on Loan	**1,251.25**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,251.25**	**-**
Manappuram Finance Limited	1,251.25	-	-	-	-	-	-	-	1,251.25	-
Interest Expense on Sub-debt	**1,687.50**	**1,687.50**	**46.42**	**46.42**	**4.10**	**4.10**	**-**	**-**	**1,738.01**	**1,738.02**
Manappuram Finance Limited	1,687.50	1,687.50	-	-	-	-	-	-	1,687.50	1,687.50
Mr. S V Raja Vaidyanathan	-	-	46.42	46.42	-	-	-	-	46.42	46.42
Mrs. Girija Vaidyanathan	-	-	-	-	4.10	4.10	-	-	4.10	4.10
Purchase of software	**192.35**	**-**	**-**	**-**	**-**	**-**	**1,298.71**	**1,602.33**	**1,491.05**	**1,602.33**
Manappuram Finance Limited	192.35	-	-	-	-	-	-	-	192.35	-
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	1,298.71	1,602.33	1,298.71	1,602.33
Software expense	**-**	**-**	**-**	**-**	**-**	**-**	**426.83**	**1,098.49**	**426.83**	**1,098.49**
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	426.83	1,098.49	426.83	1,098.49
Office expense	**-**	**-**	**-**	**-**	**-**	**-**	**6.98**	**-**	**6.98**	**-**
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	6.98	-	6.98	-
Donation	**-**	**-**	**-**	**-**	**-**	**-**	**183.53**	**556.54**	**183.53**	**556.54**
Manappuram Foundation	-	-	-	-	-	-	183.53	556.54	183.53	556.54
Rating fee payable	**-**	**-**	**-**	**-**	**-**	**-**	**4.48**	**14.91**	**4.48**	**14.91**
Infomerics Valuation and Rating Private Limited	-	-	-	-	-	-	4.48	14.91	4.48	14.91
Advisory Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**81.75**	**-**	**81.75**
Pachira Financial Service Limited	-	-	-	-	-	-	-	81.75	-	81.75
Balances as at year end										
Loan	**69,000.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**69,000.00**	**-**
Manappuram Finance Limited	69,000.00	-	-	-	-	-	-	-	69,000.00	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Related Party	Parent (as per ownership or control)		Key Management		Relatives of Key Management Personnel		Other related parties		Total	
Items	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**	**March 2026**	**March 2025**
Sub debt	**15,000.00**	**15,000.00**	**-**	**-**	**-**	**-**	**-**	**-**	**15,000.00**	**15,000.00**
Manappuram Finance Limited	15,000.00	15,000.00	-	-	-	-	-	-	15,000.00	15,000.00
Interest payable on sub debt	**1,331.51**	**1,479.45**	**-**	**-**	**-**	**-**	**-**	**-**	**1,331.51**	**1,479.45**
Manappuram Finance Limited	1,331.51	1,479.45	-	-	-	-	-	-	1,331.51	1,479.45
Bonus Payable	**-**	**-**	**35.40**	**-**	**-**	**-**	**-**	**-**	**35.40**	**-**
Mr. Gerard David Manoj Pasangha	-	-	35.40	-	-	-	-	-	35.40	-
Training expense payable	**-**	**14.73**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14.73**
Manappuram Finance Limited	-	14.73	-	-	-	-	-	-	-	14.73
Rent receivable	**-**	**2.01**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.01**
Manappuram Finance Limited	-	2.01	-	-	-	-	-	-	-	2.01
Office expense payable	**-**	**-**	**-**	**-**	**-**	**-**	**1.89**	**-**	**1.89**	**-**
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	1.89	-	1.89	-
Software expense payable	**-**	**-**	**-**	**-**	**-**	**-**	**20.35**	**20.26**	**20.35**	**20.26**
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	20.35	20.26	20.35	20.26
Software purchase payable	**-**	**-**	**-**	**-**	**-**	**-**	**36.89**	**141.04**	**36.89**	**141.04**
Manappuram Comptech and Consultants Limited	-	-	-	-	-	-	36.89	141.04	36.89	141.04
Sitting fee payable	**-**	**-**	**0.11**	**-**	**-**	**-**	**-**	**-**	**0.11**	**-**
Mr. S V Raja Vaidyanathan	-	-	0.11	-	-	-	-	-	0.11	-
Commission (Excl. GST)	**-**	**-**	**135.00**	**-**	**-**	**-**	**-**	**-**	**135.00**	**-**
Mr. Abhijit Sen	-	-	14.00	-	-	-	-	-	14.00	-
Mr. D R Dogra	-	-	19.50	-	-	-	-	-	19.50	-
Mr. Gautam Saigal	-	-	17.50	-	-	-	-	-	17.50	-
Mr. Harshan Kollara	-	-	17.50	-	-	-	-	-	17.50	-
Ms. Pushya Sitaraman	-	-	17.50	-	-	-	-	-	17.50	-
Mr. Subrata Kumar Atindra Mitra	-	-	17.50	-	-	-	-	-	17.50	-
Mr. S V Raja Vaidyanathan	-	-	14.00	-	-	-	-	-	14.00	-
Mr. T Balakrishnan	-	-	17.50	-	-	-	-	-	17.50	-

Note:

(a) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties.

(b) The Related Parties have confirmed to the Management that as at year ended March 31, 2026 and March 31, 2025 there are no further amounts payable to / receivable from them, other than as disclosed above.

(c) The above compensation to key management personnel includes value of pequisites and excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

(d) The transactions during the period are Inclusive of GST wherever applicable except for commission.

(e) Remuneration for KMP is reported on a pro-rata basis, covering the period from the date of their formal appointment/designation as KMP during the financial year.

(f) During the reporting period, the company and Manappuram Finance Limited have entered into a Co-Lending arrangement. Under this arrangement, both entities share the risks and rewards in a pre-agreed ratio.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

37 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loans from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing ratio:

	As at March 31, 2026	As at March 31, 2025
Borrowings	5,82,562.75	6,93,820.72
Cash and bank balance	(84,239.53)	(25,627.98)
Net debt (A)	**4,98,323.22**	**6,68,192.74**
Equity share capital	33,263.63	20,028.34
Other equity	1,34,852.21	1,31,447.45
Total equity (B)	**1,68,115.84**	**1,51,475.79**
Net debt to equity ratio (A/B)	**2.96**	**4.41**

38 Categories of financial instruments

The carrying value and fair value of the financial instruments by categories are as follows:

Particulars	Carrying Value		Fair Value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(a) Financial assets				
Measured at amortised cost				
- Loans	6,02,182.63	7,01,609.22	6,02,182.63	7,01,609.22
- Cash and cash equivalents	84,239.53	25,627.98	84,239.53	25,627.98
- Bank balance other than above	24,934.48	39,607.62	24,934.48	39,607.62
- Other financial assets	3,430.23	7,671.21	3,430.23	7,671.21
- Loan given to staff	-	-	-	-
Measured at fair value through OCI				
- Investments	20,301.37	20,894.94	20,301.37	20,894.94
Measured at fair value through Profit or Loss				
- Investments	42,268.24	20,197.39	42,268.24	20,197.39
Hedge accounting				
- Derivative financial instruments	1,315.70	1,118.24	1,315.70	1,118.24
Total	**7,78,672.18**	**8,16,726.60**	**7,78,672.18**	**8,16,726.60**
(b) Financial liabilities:				
Measured at amortised cost				
- Debt securities	44,051.13	2,486.87	44,051.13	2,486.87
- Borrowings (other than debt security)	4,73,456.19	6,26,374.72	4,73,456.19	6,26,374.72
- Subordinated liabilities	65,055.43	64,959.13	65,055.43	64,959.13
- Trade payables	1,883.66	2,045.38	1,883.66	2,045.38
- Derivative financial instruments	-	-	-	-
-Lease Liability	11,282.17	12,366.64	11,282.17	12,366.64
- Other financial liabilities	18,099.52	14,923.01	18,099.52	14,923.01
Hedge accounting				
- Derivative financial instruments				
Total	**6,13,828.10**	**7,23,155.75**	**6,13,828.10**	**7,23,155.74**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

The management assessed that fair value of loans, cash and cash equivalents, bank balances, other financial assets, borrowings, trade payables, derivative financial instrument and other financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

39 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the management on a continuous basis.

(a) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(I) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. 'The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The Company provides for expected credit loss based on the following:

Assets covered	Nature	Basis of expected credit loss
Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans and other financial assets	Low credit risk	Life time expected credit loss
Loans	Moderate credit risk	Life time expected credit loss
Loans	High credit risk	Life time expected credit loss

Financial assets that expose the entity to credit risk

Particulars	Nature	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents (excluding cash on hand)	Low credit risk	83,749.11	24,653.10
Bank balance other than cash and cash equivalents	Low credit risk	24,934.48	39,607.62
Loans	Low credit risk	5,87,339.90	6,36,412.60
Loans	Moderate credit risk	3,871.56	40,613.69
Loans	High credit risk	10,971.18	24,582.93
Investments	Low credit risk	62,569.61	41,092.33
Other financial assets	Low credit risk	3,430.23	7,671.21

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country

Other financial assets

Other financial assets measured at amortized cost includes security deposits, receivable on assignment, advances recoverable on behalf of business correspondence arrangements, insurance claim receivables and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

The major guidelines for selection of the client includes:

1. The client's income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India;
2. The client must possess the required KYC documents
3. The client's household must be engaged in some form of economic activity which ensures regular and assured income;
4. Client must agree to follow the rules and regulations of the organisation and
5. Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organisation undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organisation in identifying clients with poor repayment histories and multiple loans

(II) Credit risk exposure

(i) Expected credit losses for financial assets other than loans

Except the following, the Company have not made expected credit losses for financial assets other than loan

Particulars	Cash and cash equivalents	Other bank balance	Loan given to staff	Investments	Other financial assets
As at March 31, 2026					
Estimated gross carrying amount	84,239.53	24,934.48	-	71,229.30	11,212.39
Less: Expected credit losses	-	-		8,659.69	7,782.16
Net carrying amount	**84,239.53**	**24,934.48**	**-**	**62,569.61**	**3,430.23**
As at March 31, 2025					
Estimated gross carrying amount	25,627.98	39,607.62	-	48,018.06	12,359.73
Less: Expected credit losses	-	-		6,925.73	4,688.52
Net carrying amount	**25,627.98**	**39,607.62**	**-**	**41,092.33**	**7,671.21**

(ii) Movement of carrying amount and expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at lifetime ECL for Stage 1, Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 01, 2024	**9,99,063.15**	**20,097.55**	**44,011.48**
Assets originated*	(1,39,894.30)	47,705.15	61,938.84
Net transfer between stages	-	-	-
Transfer to stage 1		(263.02)	(69.42)
Transfer to stage 2	(53,268.89)	-	(9.57)
Transfer to stage 3	(61,702.10)	(1,197.56)	-
Assets derecognised or collected (excluding write offs)	-	(20.80)	(19,251.95)
Write- offs (including death cases)	(92,855.02)	(16,221.92)	(14,189.95)
Gross carrying amount as at March 31, 2025	**6,51,342.83**	**50,099.41**	**72,429.42**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Particulars	Stage 1	Stage 2	Stage 3
Assets originated*	2,09,985.26	17,410.91	37,938.48
Net transfer between stages	(1,00,490.49)	46,045.15	(23,864.87)
Transfer to stage 1	-	(914.58)	(463.45)
Transfer to stage 2	(11,201.41)	-	(16.03)
Transfer to stage 3	(93,789.81)	(43,575.39)	-
Assets derecognised or collected (excluding write offs)	(49,747.35)	(28,456.06)	(40,715.25)
Write- offs (including death cases)	(7,118.77)	(34,344.72)	(13,239.56)
Gross carrying amount as at March 31, 2026	**5,98,980.26**	**6,264.72**	**32,068.75**

**Assets originated during the year has been presented on net basis i.e. the collections towards fresh loans has been netted off.*

(iii) Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at March 31, 2024	**9,931.49**	**1,264.22**	**22,288.65**
Increase of provision due to assets originated during the year	101,208.76	17,105.34	42,544.79
Net transfer between stages			
Transfer to stage 1	-	6.48	8.08
Transfer to stage 2	(9,297.26)	-	1.25
Transfer to stage 3	(39,740.80)	(638.62)	-
Assets derecognised or collected (excluding write offs)	-	(10.57)	(9,780.30)
Impact of ECL on exposures transferred between stages during the year	-	-	-
Write- offs (including death cases)	(47,171.95)	(8,241.14)	(7,215.97)
Gross carrying amount as at March 31, 2025	**14,930.23**	**9,485.72**	**47,846.49**
Increase of provision due to assets originated during the year	(74,414.23)	(16,830.01)	6,883.41
Net transfer between stages			
Transfer to stage 1	6,954.53	(104.01)	(76.63)
Transfer to stage 2	4,199.92	70.83	(2.37)
Transfer to stage 3	61,427.56	21,609.56	1,672.44
Assets derecognised or collected (excluding write offs)	(1,274.70)	(5,343.01)	(26,394.25)
Impact of ECL on exposures transferred between stages during the year	-	-	-
Write- offs (including death cases)	(182.95)	(6,495.91)	(8,831.52)
Gross carrying amount as at March 31, 2025	**11,640.36**	**2,393.16**	**21,097.57**

(#) If the probability of default increases or decrease by 10 basis point the expected credit loss will increase or decrease by ₹ 424.45.00 lakhs (as at March 31, 2025 ₹ 419.98 Lakhs).

Similarly if the loss given default increases or decrease by 100 basis point the expected credit loss will increase or decrease by ₹ 699.08 (as at March 31, 2025 ₹ 1,141.31 Lakhs).

(III) Concentration of loans (*)

Particulars	As at March 31, 2026	As at March 31, 2025
Micro finance loans	4,30,957.96	6,68,792.42
Micro, small and medium enterprise (MSME)	1,830.33	5,504.09
Gold loans	2,04,525.44	99,575.15
Total	**6,37,313.73**	**7,73,871.66**
Total Assets	8,63,227.26	8,76,814.34
Percentage of Gold Loans to Total Assets	23.69%	11.36%

(*) The above figures represents the gross loan value along with interest accrued

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

(b) Liquidity Risk Management:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Refer Note 42.2 which details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(c) Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, principally because the Company lend to customers at fixed interest rates and for periods that may differ from our funding sources, while the borrowings are at both fixed and variable interest rates for different periods. The Company assess and manage the interest rate risk by managing the assets and liabilities. The Asset Liability Management Committee ensures that all significant mismatches, if any, are being managed appropraitely.

The Company has Board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

Sensitivity

The sensitivity of the statement of profit and loss is the effect of the changes in market interest rates on bank and other borrowings. Below is the sensitivity of profit and loss in interest rates.

Particulars	As at March 31, 2026	As at March 31, 2025
Interest sensitivity*		
Interest rates – increase by 0.50%	1,556.88	2,561.67
Interest rates – decrease by 0.50%	(1,556.88)	(2,561.67)

** Holding all other variables constant*

Price Risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

Foreign currency risk

The Company is exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB). The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated March 26, 2019 and updated from time to time) which requires entities raising ECB for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure (Principal and Coupon). The Company hedges its entire ECB exposure for the full tenure of the ECB as per Board approved Interest Rate risk, Currency risk hedging policy.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

The Company for its ECB, evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs. The Company manages its currency risks by entering into derivatives contracts as hedge positions and the same are being governed through the Board approved Interest rate risk, Currency risk hedging policy.

The Company's exposure of foreign currency risk (Euros) at the end of the reporting period expressed in ₹ are as follows:

Hedged	Impact on profit an loss account	
	As at March 31, 2025	As at March 31, 2024
USD Sensitivity		
INR/USD- Increase by 1%*	-	-
INR/USD- Decrease by 1%*	-	-
EURO Sensitivity		
INR/USD- Increase by 1%*	-	-
INR/USD- Decrease by 1%*	-	-

Particular	Impact on other comprehensive income	
	As at March 31, 2026	As at March 31, 2025
USD Sensitivity		
Hedging Instrument		
INR/USD- Increase by 1%*	58.40	81.80
INR/USD- Decrease by 1%*	(58.40)	(81.80)
Hedged Item		
INR/USD- Increase by 1%*	(56.79)	(77.02)
INR/USD- Decrease by 1%*	56.79	77.02
EURO Sensitivity		
Hedging Instrument		
INR/USD- Increase by 1%*	-	-
INR/USD- Decrease by 1%*	-	-
Hedged Item		
INR/USD- Increase by 1%*	-	-
INR/USD- Decrease by 1%*	-	-

Unhedged

* represents the notional amount of the derivative financial instrument

Hedging policy

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

40 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on and to the extent of information received by the Company from the suppliers during the year regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars for the years ended March 31, 2026 and March 31, 2025 are furnished below:

	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(b)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d)	The amount of interest due and payable for the year	-	-
(e)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Note:

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

41 Contingent Liabilities and commitments

Contingent Liabilities and commitments	As at March 31, 2026	As at March 31, 2025
A. Contingent liabilities:		
(a) Claims against the company not acknowledged as debt;	**-**	**-**
(b) Guarantees excluding financial guarantees; and	**-**	**-**
(c) Other money for which the company is contingently liable {refer (i) below)}	**6,058.48**	**8,902.00**
(i) Income Tax		
- Income Tax (A.Y. 2015-16)	-	1,124.50
- Income Tax (A.Y. 2016-17)	-	1,978.91
- Income Tax (A.Y. 2017-18)	-	1,348.79
- Income Tax (A.Y. 2020-21)	2,133.13	1,953.49
- Income Tax (A.Y. 2021-22)	501.38	501.38
- Income Tax (A.Y. 2022-23)	-	
- Income Tax (A.Y. 2023-24)	1,875.58	1,875.58
- Income Tax (A.Y. 2024-25)	1,434.83	
	5,944.92	**8,782.65**
(ii) Indirect Tax (GST)		
- GST (FY 2017-20)	60.94	60.94
- GST (FY 2022-23)	35.98	35.98
	96.92	**96.92**
(iii) Non Tax Cases	**16.64**	**22.43**
B. Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Other Intangible Assets	-	-
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments (specify nature).	-	-
	-	**-**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

A) Income Tax

Income Tax (A.Y. 2020-21)

During the FY 2022-23, the Company has received an Assessment order under Section 143(3) for the AY 2020-21 with demand of ₹ 2,134.4 Lakhs by disallowing expenses and ICDS adjustment aggregating to the tune of ₹ 8,511.87 Lakhs under section 41, 43B, 36(1)(va) and 36(1)(viia) w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and ICDS Adjustments.

ITAT has dismissed the impugned 143(3) order and remanded back to JAO for fresh assessment. Based on the professional advice, the company strongly believe that majority of the disallowance will be decided in their favour and hence no provision has been considered except in case of bonus and ICDS Adjustments for which provision of ₹ 1.258 lakhs is considered in the books of accounts.

During FY 2025-26, notice initiated u/s 148(A)(1) related to addition of ₹ 7,14.13 Lakh being the excess claim of bad debts written off in AY 2020-21 under section 36(1)(viia) against which provision of ₹ 179.64Lakhs has been created

Income Tax (A.Y. 2021-22)

During the FY 2022-23, the Company has received an Assessment order under Section 143(1) for the AY 2021-22 with demand of ₹ 557.4 Lakhs by disallowing expenses and recovery of bad and doubtful debts aggregating to the tune of ₹ 1,560.6 Lakhs under section 43B, 36(1)(va) and 41 w.r.t Gratuity, leave encashment, bonus, delay in remittance of employee contribution to PF, ESI and recovery of bad and doubtful debts etc.

As per the order pronounced on 18-09-2024, ITAT set aside the order and directed the CIT(A) adjudicate the issues afresh. Based on professional advice, the company strongly believe that majority of the disallowance and deemed income will be decided in their favour and hence no provision has been considered except for disallowance w.r.t bonus and gratuity u/s 43B for which provision amounting ₹ 55.98 Lakhs is considered in the books of accounts.

Income Tax (A.Y. 2022-23)

During FY 2025-26, the Company received a notice u/s 154 r.w.s 143(3) for add-backs totaling ₹ 24.44 Lakh related to delayed PF, ESI, and welfare fund contributions u/s 36(1)(va); company has created an adequate provision of ₹ 6.15 Lakh against delay in remitting Employee's contribution to PF/ ESI- Sec 36(1)(va).

Income Tax (AY 2023-24)

The Central Processing Centre (CPC) processed the company's return of income under Section 143(1) and determined a differential tax liability of ₹ 1,875.58 lakhs. This arose due to the disallowance of an amount under Section 41, treating bad debt recovery as taxable, despite it already being reported as other income in the Income Tax Return and deductions claimed under Section 80JJAA were disallowed due to procedural lapses. The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favourable outcome is expected in this regard.

Income Tax (AY 2024-25)

During the FY 2025-26, company has received as Assessment order under section 143(1) for the AY 2024-25 with a demand of ₹ 655.35 lakh due to disallowance of an amount under section 41, treating bad debt recovery as taxable The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favorable outcome is expected in this regard.

In FY 2025-26, company has received an Assessment order under section 143(3) for the AY 2024-25 with demand of ₹ 1,339.63 by disallowing unexplained trade payables, expenditure u/s 14A, donations, and loss on security receipts for which provision of amounting to ₹ 560.15 has been created against expenditure u/s14A, donation, loss on security receipt. The company has filed an appeal with the Commissioner of Income Tax (Appeals) that the disallowances were unwarranted and a favorable outcome is expected in this regard.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

42 Disclosures as required under Master direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

42.1 Details of registration with financial regulators

Regulator	Registration No.
Ministry of Company Affairs	CIN:U65923TN2007PLC064550
Reserve Bank of India	N-07-00769 dated September 27, 2016

42.2 Disclosure of penalties imposed by RBI and other regulators

There are no penalty imposed by Reserve Bank of India and other regulators for the year ended March 31, 2026, March 31, 2025, except for the following:

For the Year Ended March 31, 2025

Regulator	Reason	Amount (In Rupees)
RBI	Regulatory Non Compliance	620,000.00

42.3 Area of Operation

The Company operates only in India in 22 states and 4 Union territories from 1765 branches.

42.4 Related party transactions

Details of all material related party transactions are disclosed in Note 36.

42.5 Remuneration of directors (other than Managing Director)

Details of commission payable to directors (other than managing director) are disclosed in Note 36.

42.6 Concentration of advances, exposures and NPA's

The Company operates in the business of microfinance providing collateral free loans for fixed amounts ranging from ₹ 10,000 to ₹ 90,000 to women engaged in various income generating activities. As at March 31,2026, the company has provided loans to more than 29.37 lakhs women and hence, the disclosure relating to concentration to advances, exposures and NPA's are not applicable to the Company.

42.7 Ratings assigned by credit rating agencies

Particulars	Amount Rated (In Lakhs)*	March 31, 2026	March 31, 2025
Commercial paper	40,000	Crisil A1+	Crisil A1+
Bank Loan Facilities	900,000	Crisil AA-/Stable	Crisil AA-/Stable
Long Term Bank Facilities	200,000	Care AA- /Stable	Care AA- /Stable
Long term Non-Convertible Debentures	61,900	Crisil AA-/Stable	Crisil AA-/Stable
Long term Non-Convertible Debentures	20,000	Care AA- /Stable	Care AA- /Stable
MFI Grading	NA	CARE MFI-1	CARE MFI-1
Subordinated Debt	91,000	Crisil AA-/Stable	Crisil AA-/Stable
COCA report	NA	CARE C1	CARE C1
Market Linked Debentures	33,550	Crisil PPMLD AA-/Stable	Crisil PPMLD AA-/Stable

**Amount rated is as on March 31, 2026.*

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

42.8 Sector-wise NPAs:

	As at March 31, 2026	As at March 31, 2025
Agriculture & allied activities	10.40%	10.82%
MSME	18.57%	16.83%
Corporate borrowers	NA	NA
Services	19.96%	15.80%
Unsecured personal loans	75.14%	37.80%
Auto loans (commercial vehicles)	NA	NA
Other loans	0.56%	1.57%

42.9 Provisions and Contingencies (shown under the head Expenditure in Statement of Profit and Loss)

	Year ended March 31, 2026	Year ended March 31, 2025
Provision for income tax (excluding deferred tax)	-	-
Provision towards standard assets	(10,382.43)	13,001.66
Provision towards non performing assets	1,11,696.26	1,56,676.76
Provision and contingencies on gratuity	728.85	669.66
Provision towards compensated absences	209.36	288.26
Provision for insurance claim receivable	15.07	(229.93)
Provision for Receivable from Resigned Staff	6,449.13	4,626.35
	1,08,716.24	**1,75,032.76**

42.10 Movement of NPAs

	Year ended March 31, 2026	Year ended March 31, 2025
Net NPAs to net advances (%)	1.60%	2.46%
Movement of NPAs (Gross)		
(a) Opening balance	65,513.46	40,315.44
(b) Additions during the year	1,34,455.55	1,77,468.82
(c) Reductions during the year	(1,68,955.13)	(1,52,270.80)
(d) Closing balance	**31,013.88**	**65,513.46**
Movement of Net NPAs		
(a) Opening balance	17,666.97	18,045.76
(b) Additions during the year	43,027.68	25,552.77
(c) Reductions during the year	(50,778.34)	(25,931.56)
(d) Closing balance	**9,916.31**	**17,666.97**
Movement of provisions for receivables under financing activities		
(a) Opening balance	47,846.49	22,269.68
(b) Provisions made during the year	91,427.87	1,51,916.05
(c) Write-off / write-back of excess provisions	(1,18,176.79)	(1,26,339.24)
(d) Closing balance	**21,097.57**	**47,846.49**

42.11 Overseas assets (for those with Joint ventures and Subsidiaries abroad)

The Company did not have any overseas assets during the current and previous year.

42.12 Off-balance sheet SPVs sponsored

The Company did not sponsor any SPVs during the current and previous year.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

42.13 Off-balance sheet exposures and structured products

The Company has no reportable off-balance sheet exposures or investments in structured financial products as of March 31, 2026.

42.14 Investments

	As at March 31, 2026	As at March 31, 2025
Value of Investments		
(i) Gross Value of Investments		
(a) In India	71,229.30	48,018.06
(b) Outside India,	-	
(ii) Provisions for Depreciation		
(a) In India	8,659.69	6,925.73
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	62,569.61	41,092.33
(b) Outside India.	-	-
Movement of provisions held towards depreciation on investments	-	-
(i) Opening balance	6,925.73	2,098.00
(ii) Add: Provisions made during the year	1,733.95	4,827.73
(iii) Less: Write-off / write-back of excess	-	-
(iv) Closing balance	8,659.69	6,925.73

42.15 Derivatives:

	As at March 31, 2026	As at March 31, 2025
Cross Currency Interest Rate Swap		
The notional principal of swap agreements	5,679.26	7,702.33
(Gains)/losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	1,315.70	1,118.24
Collateral required by the NBFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book	1,315.70	1,118.24

Exchange traded interest rate (IR) derivatives

The Company does not have any exchange traded interest rate derivative

Quantitative disclosures

Particulars	March 31, 2026	March 31, 2025
Derivatives (notional principal amount)		
For hedging	5,679.26	7,702.33
Marked to market positions		
a) Asset (+)	1,315.70	1,118.24
b) Liability (-)	-	-
Credit exposure	-	-
Unhedged exposure	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Qualitative disclosure

During the year ended March 31, 2026 and March 31, 2025 the Company has an existing derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS). Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in the Statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of profit and loss depends on the nature of the hedge relationship. During the year ended March 31, 2026 and March 31, 2025 the Company has designated derivatives as cash flow hedges of a recognised liability and has no fair value hedges. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk Management objective and strategy for undertaking the hedge. The documentation includes the Company's risk Management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

During the year ended March 31, 2026 and March 31, 2025 hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

42.16 Capital Adequacy Ratio

Particulars	As at March 31, 2026			As at March 31, 2025		
	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio
(i) CRAR (%)	1,35,411.53	6,70,345.22	20.20%	1,56,436.27	7,47,330.74	20.93%
(ii) CRAR – Tier 1 capital (%)	1,09,773.36	6,70,345.22	16.38%	1,18,295.23	7,47,330.74	15.83%
(iii) CRAR – Tier 2 capital (%)	25,638.16	6,70,345.22	3.82%	38,141.03	7,47,330.74	5.10%
(iv) Amount of subordinated debt raised as Tier- 2 capital						
(v) Amount raised by issue of Perpetual Debt Instruments						
(vi) Amount of funds raised through PDI and outstanding at the close of the financial year;						
(vii) Amount of funds raised through PDI during the year						
(viii) Percentage of the amount of PDI of the amount of its Tier 1 capital;						
(ix) Financial year in which interest on PDI has not been paid						
(x) Liquidity Coverage Ratio	22,795.59	13,577.86	167.89%	39,882.04	20,801.77	191.72%

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

42.17 Details of financing of parent company products

The Company does not finance any parent company's products and accordingly disclosures is not required.

42.18 Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC

There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

42.19 Unsecured Advances

Refer note 7(a)

42 Disclosures as required under Master direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025-Continued

42.20 Asset Liability Management

(a) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2026:

Particulars	1 to 7 days	8 to 14 days	15 to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months and to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits											
Advances	5,286.55	4,859.31	11,029.99	23,606.19	24,351.67	72,896.23	3,05,099.71	1,43,894.07	9,058.75	2,100.16	6,02,182.63
Investments	20,301.37	-	-	-	-	-	-	332.80	-	41,935.44	62,569.61
Borrowings	1,144.44	5,653.94	13,649.69	26,930.82	38,920.50	92,186.30	1,86,556.99	1,91,258.62	26,261.46	-	5,82,562.75
Foreign Currency assets											
Foreign Currency liabilities											

(b) Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2025 *:

Particulars	1 to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & upto 6 month	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
Deposits											
Advances	19,858.83	9,375.42	21,085.79	43,699.79	42,122.86	1,21,291.94	2,36,953.84	2,06,758.70	294.63	-	7,01,441.80
Investments	20,674.00	-	-	-	786.60	-	-	-	-	19,416.54	40,877.14
Borrowings	1,914.6	8,224.45	24,217.95	45,052.51	58,231.94	1,17,390.73	1,85,052.53	2,02,430.03	41,305.9	10,000.00	6,93,820.71
Foreign Currency assets											
Foreign Currency liabilities											

**Numbers appearing in the ALM table is extracted from DNBS-4 filed with the RBI by the company for the month of March 2025*

42.21 Draw down from reserves

There are no drawdown reserves from statutory reserves during the year ended March 31,2026.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

43 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

Particulars	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
As at March 31, 2026	24	4,99,930.82	Not Applicable	81.15%
As at March 31, 2025	29	6,27,759.99	Not Applicable	86.55%

Notes:

A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 1% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(ii) Top 20 large deposits (amount in Lakhs and % of total deposits) - Not applicable

(iii) Top 10 borrowings

Particulars	As at March 31, 2026		As at March 31, 2025	
	Amount	% of Total borrowings	Amount	% of Total borrowings
Top 10 borrowings	3,24,926.02	55.78%	3,71,718.87	51.25%

(iv) Funding concentration based on significant instrument / product

Name of the instrument/product	As at March 31, 2026		As at March 31, 2025	
	Amount	% of total liabilities	Amount	% of total liabilities
Borrowings (other than debt securities)	4,73,456.19	76.85%	6,26,374.72	86.36%
Debt securities	44,051.13	7.15%	2,486.87	0.34%
Subordinated liabilities	65,055.43	10.56%	64,959.13	8.96%

Notes:

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(v) Stock Ratio

Particulars	As at March 31, 2026	As at March 31, 2025
Commercial papers as a % of total liabilities	2.35%	0.00%
Commercial papers as a % of total assets	1.68%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	60.59%	63.61%
Other short-term liabilities as a % of total assets	43.24%	52.69%

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. 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 and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

44 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

S. No	Particulars	As at March 31, 2026		As at March 31, 2025	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities:				
1	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**				
(a)	Debentures				
	- Secured	7,313.82	-	2,485.04	-
	- Unsecured	70,998.51	-	48,629.46	-
	(other than falling within the meaning of public deposits)				
(b)	Deferred credits		-	-	-
(c)	Term loans	3,94,826.34		6,08,478.94	
(d)	Inter-corporate loans and borrowings	85,331.51	-	16,331.51	-
(e)	Commercial paper	14,462.72	-	-	-
(f)	Other Loans	9,629.84	-	17,895.78	-

S. No	Particulars	Amount Outstanding	
		As at March 31, 2026	As at March 31, 2025
	Assets:		
2	**Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below]:**		
(a)	Secured	2,06,031.92	1,03,579.92
(b)	Unsecured	4,31,281.81	6,70,291.74
3	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
(i)	Lease assets including lease rentals accrued and due:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

S. No	Particulars	Amount Outstanding	
		As at March 31, 2026	As at March 31, 2025
4	**Break-up of Investments**		
	Current Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
	Long Term Investments		
I	**Quoted:**		
(i)	Shares:	-	-
	(a) Equity		
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	20,301.37	20,889.19
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity	-	5.75
	(b) Preference	-	-
(ii)	Debentures and bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government securities	-	-
(v)	Investment in Pass Through Certificates	-	-
(v)	Investment in Pass Through Certificates	-	-
(vi)	Investment in Equity Tranche	332.80	786.60
(vii)	Others(Security Receipts in ARC and PTC)	41,935.45	19,410.79

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

5 Borrower Group-wise Classification of Assets Financed as in (2) and (3) above

S. No	Category	As at March 31, 2026 (Net of Provisions)			As at March 31, 2025 (Net of Provisions)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
2	Other than related parties	2,04,620.13	3,97,562.50	6,02,182.63	1,02,717.10	5,98,892.11	7,01,609.22
		2,04,620.13	**3,97,562.50**	**6,02,182.63**	**1,02,717.10**	**5,98,892.11**	**7,01,609.22**

Note: The amount of Assets financed represents the net owned portfolio outstanding after adjusting the provisions for standard, substandard and doubtful assets.

6 Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted):

S. No	Category	As at March 31, 2026		As at March 31, 2025	
		Market Value / Break up Value or Fair Value or Net Asset Value	Book Value	Market Value / Break up Value or Fair Value or Net Asset Value	Book Value
1	Related parties				
(a)	Subsidiaries	-	-	-	-
(b)	Companies in the same group	-	-	-	-
(c)	Other related parties	-	-	-	-
2	Other than related parties	62,569.61	62,569.61	41,092.33	41,092.33
		62,569.61	**62,569.61**	**41,092.33**	**41,092.33**

7 Other Information

S. No	Category	As at March 31, 2026		As at March 31, 2025	
		Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i)	Gross non-performing assets	-	31,013.88	-	65,513.46
(ii)	Net non-performing assets	-	9,916.31	-	17,666.97
(iii)	Assets acquired in satisfaction of debt	-	-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

45 Disclosure Pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dt November 28, 2025

Particulars	As at June 30, 2025		As at September 30, 2025		As at December 31, 2025		As at March 31, 2026	
	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 Asset								
Cash and bank balances	6,115.30	6,115.30	3,685.34	3,685.34	3,931.40	3,931.40	2,795.59	2,795.59
Unencumbered fixed deposits							-	-
Investment in G sec	22,417.58	22,417.58	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
	28,532.88	**28,532.88**	**23,685.34**	**23,685.34**	**23,931.40**	**23,931.40**	**22,795.59**	**22,795.59**
Cash Outflows								
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	-	-	-	-	-	-	-	-
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
Outflows related to loss of funding of debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	60,165.98	69,190.88	53,578.18	61,614.91	52,756.35	60,669.80	47,227.33	54,311.43
Other contingent funding obligations	-	-	-	-	-	-	-	-
	60,165.98	**69,190.88**	**53,578.18**	**61,614.91**	**52,756.35**	**60,669.80**	**47,227.33**	**54,311.43**
Cash Inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing exposures	-	-	-	-	-	-	-	-
Monthly Collection & Other cash inflows	60,348.34	45,261.25	50,032.80	37,524.60	46,845.75	35,134.31	49,092.25	36,819.19
Contingent Funding/Credit Line available	45,247.25	33,935.44	32,591.30	24,443.48	40,065.22	30,048.91	35,943.19	26,957.39
	1,05,595.59	**79,196.69**	**82,624.11**	**61,968.08**	**86,910.97**	**65,183.23**	**85,035.44**	**63,776.58**

Liquidity coverage ratio

Particulars	As at June 30, 2025	As at September 30, 2025	As at December 31, 2025	As at March 31, 2026
Total high quality liquid assets (a)	28,532.88	23,685.34	23,931.40	22,795.59
Total net cash outflows (b)	17,297.72	15,403.73	15,167.45	13,577.86
Liquidity coverage ratio (a)/(b)	**164.95%**	**153.76%**	**157.78%**	**167.89%**

The inflows and outflows for the three months period June 30, 2025, September 30, 2025, December 31, 2025 and March 31,2026 have been extracted from the form DNBS 4 filed by the company with Reserve bank of India.

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 dated November 28, 2025. The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the year ended March 31, 2026 was 167.89% which is above the regulatory requirement.

46 Currency Options

The Company has not undertaken any transactions in designated currency options exchanges recognized by SEBI during the financial year. Accordingly, no disclosures are required in this regard

47 Loans against gold and silver collateral

i) Details of loans extended against eligible gold and silver collateral

Particulars	Loan outstanding as on March 31, 2026	As % of Total Loans	Average ticket size	Average LTV ratio	Gross NPA (%)
1. Opening balance of the FY [(a)+(b)]	92,838.44	100%	0.51	54%	1.73%
(a) Consumption loans	92,838.44	100%	0.51	54%	1.73%
of which bullet repayment loans	92,838.44	100%	0.51	54%	1.73%
(b) Income generating loans	-	0%	-	0%	0%
2. New loans sanctioned and disbursed during the FY [(c)+(d)]	1,46,381.85		0.45	53%	NA
(c) Consumption loans	1,46,381.85		0.45	53%	NA
of which bullet repayment loans	1,46,381.85		0.45	53%	NA
(d) Income generating loans	-		-	0%	NA
3. Renewals sanctioned and disbursed during the FY	8,60,661.98		1.20	53%	NA
4. Top-up loans sanctioned and disbursed during the FY	-		-		NA
5. Loans repaid during the FY [(e)+(f)]	8,95,953.65		NA	NA	NA
(e) Consumption loans	8,95,953.65		NA	NA	NA
of which bullet repayment loans	8,95,953.65		NA	NA	NA
(f) Income generating loans	-		NA	NA	NA
6. Non-Performing Loans recovered during the FY [(g)+(h)]	2,811.14		NA	NA	NA
(g) Consumption loans	2,811.14		NA	NA	NA
of which bullet repayment loans	2,811.14		NA	NA	NA
(h) Income generating loans	-		NA	NA	NA
7. Loans written off during the FY [(i) + (j)]	-		NA	NA	NA
(i) Consumption loans	-		-	NA	NA
of which bullet repayment loans	-		-	NA	NA
(j) Income generating loans	-		-	NA	NA
8. Closing balance at the end of FY [(k)+(l)]	2,03,928.62		0.85	53%	0.56%
(k) Consumption loans of which bullet repayment loans	2,03,928.62		0.85	53%	0.56%
of which bullet repayment loans	2,03,928.62		0.85	53%	0.56%
(l) Income generating loans	-		-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Particulars	Loan outstanding as on March 31, 2025	As % of Total Loans	Average ticket size	Average LTV ratio	Gross NPA (%)
1. Opening balance of the FY [(a)+(b)]	88,967.95	100%	0.50	62%	1.94%
(a) Consumption loans	88,967.95	100%	0.50	62%	1.94%
of which bullet repayment loans	88,967.95	100%	0.50	62%	1.94%
(b) Income generating loans	-	0%	-	0%	0%
2. New loans sanctioned and disbursed during the FY [(c)+(d)]	97,660.00		-		NA
(c) Consumption loans	97,660.00		0.37	54%	NA
of which bullet repayment loans	97,660.00		0.37	54%	NA
(d) Income generating loans	-		-		NA
3. Renewals sanctioned and disbursed during the FY	9,90,069.00		0.89	54%	NA
4. Top-up loans sanctioned and disbursed during the FY	-		-		NA
5. Loans repaid during the FY [(e)+(f)]	10,83,858.51		NA	NA	NA
(e) Consumption loans	10,83,858.51		NA	NA	NA
of which bullet repayment loans	10,83,858.51		NA	NA	NA
(f) Income generating loans	-		NA	NA	NA
6. Non-Performing Loans recovered during the FY [(g)+(h)]	-		NA	NA	NA
(g) Consumption loans	-		NA	NA	NA
of which bullet repayment loans	-		-	NA	NA
(h) Income generating loans	-		NA	NA	NA
7. Loans written off during the FY [(i) + (j)]	-		NA	NA	NA
(i) Consumption loans	-		-	NA	NA
of which bullet repayment loans	-		-	NA	NA
(j) Income generating loans	-		-	NA	NA
8. Closing balance at the end of FY [(k)+(l)]	92,838.44		0.85	53%	0.56%
(k) Consumption loans	92,838.44		0.85	53%	0.56%
of which bullet repayment loans	92,838.44		0.85	53%	0.56%
(l) Income generating loans	-		-	-	-

ii) Details of gold and silver collateral and auctions

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Unclaimed gold or silver collateral at the end of the financial year (in grams)	-	-
(b) Number of loan accounts in which auctions were conducted	1,115	2,076
(c) Total outstanding in loan accounts mentioned in (b)	706.95	1,171.70
(d) Gold or silver collateral acquired during the FY due to default of loans (in grams)	2,38,756.82	2,74,410.71
(e) Gold or silver collateral auctioned during the FY (in grams)	17,484.85	29,713.96
(f) Recovery made through auctions during the FY	731.16	1,604.60
(g) Recovery percentage:		
(h) as % of value of gold or silver collateral	61.41%	88.00%
(i) as % of outstanding loan	103.42%	136.95%

Note: No sister concerns participated in the auctions held during the financial year ended on March 31, 2026 and March 31, 2025

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

48 Disclosures on Co-Lending Arrangements

Particulars	For the year ending March 31, 2026	For the year ending March 31, 2025
1. Quantum of Co-Lending Arrangements		
(a) Total Sanctioned Amount during the period	4,117.32	NIL
(b) Total Outstanding Balance at end of period	3,902.91	NIL
2. Pricing and Costs		
(a) Weighted Average Rate of Interest (%)	20.61%	NA
(b) Total Fees Charged to Customers	0.09	NA
(c) Total Fees Paid to Co-Lending Partners	NIL	NA
3. Sectoral Exposure (Broad Sectors)		
(a) [e.g., Agriculture]		
(b) [e.g., MSME]		
(c) [e.g., Retail/Personal Loans]		
4. Performance of Loans under CLA		
(a) Gross NPA (%)	NIL	NA
(b) Provisioning Coverage Ratio (%)	NIL	NA
5. Default Loss Guarantee (DLG)		
(a) Total amount of DLG provided/received	NIL	NA
(b) Nature of DLG (e.g., Cash Deposit, Bank Guarantee)	NIL	NA

49 RBI/DOS/2024-25/120 DOS.CO.FMG.SEC.No.7/23.04.001/2024-25 dated July 15, 2024

Details of embezzlement/ misappropriation of cash

For the year ended FY 2025-26

Category	More than ₹ 1 Lakh		Less than ₹ 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	377	1,416.21	1146	338.71
- By Others	0	-	0	-
Total	**377**	**1,416.21**	**1146**	**338.71**

For the year ended FY 2024-25

Category	More than ₹ 1 Lakh		Less than ₹ 1 Lakh	
	Number of Instances	Amount	Number of Instances	Amount
Embezzlement/ misappropriation of cash				
- By Employees	373	1,487.25	117	52.39
- By Others	1	1.14	10	3.72
Total	**374**	**1,488.39**	**127**	**56.11**

Note: The above summary is prepared based on the information available with the Company and relied upon by the Auditors.

49.1 Undisclosed income

There are no transactions not recorded in the books of accounts.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

50 Corporate Social Responsibility (CSR)

For the year ended March, 2026

During the year, the Company incurred an aggregate amount of ₹ 183.53 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As at March 31, 2026	
	Projects related to FY 2025-26	Projects related to FY 2024-25
(a) Gross amount required to be spent by the company during the period as per Sec 135 of Companies Act, 2013	81.03	102.50
(b) Excess Amount spent in previous year	0.00	0.00
(c) Gross amount required to be spent by the company during the period after adjustment, if any (a)-(b)	81.03	102.50
(d) Amount spent during the period ended on March 31, 2025:	81.03	102.50
i) Construction / acquisition of any asset	66.96	102.50
ii) On purposes other than (i) above	14.07	0.00
(e) Unspent Amount as on March 31, 2025 (c)-(d)	0.00	0.00
(f) Excess Amount spent as on March 31, 2025	0.00	0.00
(g) Surplus generated for CSR fund during previous year	0.00	0.00
(h) Amount Transferred to CSR Unspent account as per Companies Act, 2013	0.00	0.00
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2025	0.00	0.00
(j) Reason for shortfall	NA	NA
(k) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.		
(i) Trust Name	Manappuram Foundation	Manappuram Foundation
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promoting Health care including preventive healthcare d) Promotion of Health care and Women empowerment	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group. c) Promotion of Health care and Women empowerment d) Eradicating hunger, poverty and malnutrition e) Promotion of Healthcare/ preventive healthcare

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

For the year ended March, 2025

During the year, the Company incurred an aggregate amount of ₹ 554.98 Lakhs towards corporate social responsibility in compliance of Section 135 of the Companies Act 2013 read with relevant schedule and rules made thereunder. The details of the CSR spend are given below:

Particulars	As at March 31, 2025	
	Projects related to FY 2024-25	Projects related to FY 2021-22
(a) Gross amount required to be spent by the company during the period as per Sec 135 of Companies Act, 2013	635.74	21.73
(b) Excess Amount spent in previous year	0.00	0.00
(c) Gross amount required to be spent by the company during the period after adjustment, if any (a)-(b)	635.74	21.73
(d) Amount spent during the period ended on March 31, 2025:	533.24	21.73
i) Construction / acquisition of any asset	488.14	21.73
ii) On purposes other than (i) above	45.10	0.00
(e) Unspent Amount as on March 31, 2025 (c)-(d)	102.50	0.00
(f) Excess Amount spent as on March 31, 2025	0.00	0.00
(g) Surplus generated for CSR fund during previous year	0.00	0.00
(h) Amount Transferred to CSR Unspent account as per Companies Act, 2013	102.50	0.00
(i) Closing balance for ongoing projects in CSR unspent account as on March 31, 2025	102.50	0.00
(j) Reason for shortfall	Fund is allocated for ongoing projects	NA
(k) Details of related party transactions, e.g., contribution to a trust/ society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.		
(i) Trust Name	Manappuram Foundation	Manappuram Foundation
(ii) CSR activities as specified in Schedule VII of Companies Act, 2013	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group c) Promoting Health care including preventive healthcare d) Promotion of Health care and Women empowerment	a) Promotion of Quality education b) Rural development projects and measures for reducing inequalities faced by socially and economically backward group. c) Promotion of Health care and Women empowerment d) Eradicating hunger, poverty and malnutrition e) Promotion of Healthcare/ preventive healthcare

51 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the years ended March 31, 2026, March 31, 2025.

52 Statutory Reserve

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at a rate of 20% of the net profit after tax of the Company every year. Considering the Loss after tax for the period ended March 31, 2026 and March 31, 2025, no amount is transferred to the statutory reserve as required under Section 45-IC of Reserve Bank of India (RBI) Act, 1934.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

53 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Notional expressed in ₹	Maturity date	Changes in fair value of hedging instrument Assets	Changes in fair value of hedging instrument Liability	Line item in Balance Sheet
Cash flow hedge					
Foreign exchange forward contracts (Cross currency interest rate swaps) (USD)					
For the year ended March 31, 2026	5,679.26		1,315.70	-	Derivative financial instruments
For the year ended March 31, 2025	7,702.33		1,118.24	-	Derivative financial instruments
Foreign exchange forward contracts (Cross currency interest rate swaps) (EURO)					
For the year ended March 31, 2026	-		-	-	Derivative financial instruments
For the year ended March 31, 2025	-		-	-	Derivative financial instruments

b) Disclosure of effects of hedge accounting on financial performance

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange forward contracts (Cross currency interest rate swaps)				
For the year ended March 31, 2026	197.46	-	199.93	Finance Cost
For the year ended March 31, 2025	(238.48)	-	(79.54)	Finance Cost

Hedged Item

ECB Loans	As at March 31, 2026	As at March 31, 2025
Change in the value of hedged item used as the basis for recognising hedge in effectiveness	(1,233.26)	(1,033.33)
Cash flow hedge reserve as at*	82.44	84.91
Hedging gains or losses recognised in other comprehensive income	(2.47)	(158.94)

The hedge ineffective portion is Accounted for as Finance Cost under the profit and loss account

** Figures are gross of tax*

54 Share Based payments to Employees

Employee Stock Option Scheme (ESOS), 2019

(a) The details of the Employee Stock Option Scheme 2019 are as under:

Date of share holders' approval	February 02, 2019
Number of options approved	8,30,000
Date of grant	July 1, 2019
Number of options granted upto June 30, 2023	8,30,000
Method of settlement	Equity
Graded Vesting	30% after two years from the date of grant i.e. July 1, 2021 and 35% after three years from the date of grant i.e July 1,2022 and the balance 35% after four year from the date of grant i.e. July 1, 2023
Exercisable period	1 year from graded vesting date
Vesting conditions	Continuous employment /service as on relevant date of vesting and pre-determined performance parameters, if any

The Company has adopted the Employee Stock Option Scheme framed in accordance with the Section 62(1)(c) of the Companies Act 2013 read with Rules 12 of the Companies (Share Capital and Debenture) Rules, 2014 made thereunder.

The Company has granted 8,30,000 options at an exercise price of ₹ 364/- on July 1,2019 which will vest over a period of four years from the grant date (30% after two years from the date of grant i.e. July 1, 2021 and 35% after three years from the date of grant i.e July 1,2022 and the balance 35% after four years from the date of grant i.e. July 1, 2023. The exercise period commences from the date of vesting and will expire not later than one year from the date of vesting.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

(b) The summary of the movements in options is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Options outstanding, beginning of year	-	17,500
Options granted during the year	-	-
Increase on account of Bonus issue	-	-
Lapsed Options restored during the year	-	-
Options lapsed during the year period ended	-	-
Options lapsed during the year due to end of exercise period for tranche	-	17,500
Options Expired during the year	-	-
Options Exercised during the year	-	-
Options vested and Outstanding at the end of the year	**-**	**-**
Options outstanding at the year end comprise of:		
- Options eligible for exercise at the end of the year	-	-
- Options not eligible for exercise at the end of the year		
	-	**-**

Expenses recognised in the Profit and loss accounts for the year ended March 31, 2026 and March 31, 2025 is Nil

Tax impact for year March 31, 2026 and March 31, 2025 is Nil

(c) The fair value of options estimated at the date of grant using the Black-Scholes method and the assumptions used are as under

Grant Date	July 01, 2019
Option Price Model	Black Scholes Method
Exercise Price	364
Share Price on Grant Date	239.37
Expected Volatility	0.5
Expected time to exercise shares	1 Year after Vesting i.e. last possible exercise date
Risk-free rate of return	6.61%- 7.00%
Dividend Yield	0
Fair Value of ESOP at Grant Date	63.24-96.7
Weighted Average Fair Value of ESOP at Grant Date	81.1845
Method used to determine expected volatility	The expected volatility is based on price volatility of similar NBFC Listed company.

55 Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Receivables considered good- Secured		
(b) Receivables considered good- Unsecured;	25.66	106.22
(c) Receivables which have significant increase in Credit Risk		
(d) Receivables- credit impaired		
Gross	25.66	106.22
Less: Allowances for impairment loss on credit impaired trade receivables	-	-
Net	**25.66**	**106.22**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Trade receivables ageing

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	-	4.62	21.04	-	-	25.66
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	7.63	23.62	-	74.96	-	106.22
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on trade receivables.

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 days.

56 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	55.40	56.86
Total	**55.40**	**56.86**

Ageing as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	55.40	-	-	-	55.40
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

Ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	56.86	-	-	0	56.86
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

57 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2026 and March 31, 2025.

58 Revaluation of Property, Plant and equipment

During the Financial year, the Company has not revalued its Property, Plant and Equipment

59 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,)

During the Financial year, the Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,)

60 Capital-Work-in-Progress (CWIP) and Intangible assets under development ageing as on March 31, 2026

A

Particulars	Out standing for the followinng periods from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital-Work-in Progress (CWIP)	-	-	-	-	-
Intangible assets under development	-	-	-	-	-

B For Capital work in progress and Intangible assets under development, there is no transaction whose completion is overdue or has exceeded its cost compared to its original plan.

61 Details of Benami Property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2026 and March 31, 2025.

62 Borrowings from banks or financial institutions on the basis of security of current assets

(a) Quarterly returns and statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(b) If not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed.- Not applicble

63 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2026 and March 31, 2025.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

64 Relationship with Struck off Companies

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2026, March 31, 2025 are given below:

Name of the struck off company	Balance outstanding as at	
	March 31, 2026	March 31, 2025
Receivables (Loans outstanding)	-	-
Payables (Borrowings outstanding)	-	-
Payables (Trade Creditors)	-	-
Shares held by struck off company	-	-

	For the year ended	
	March 31, 2026	March 31, 2025
Value transactions conducted with the above Trade Creditor, being the company whose name has been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.	-	-

In the financial year ended March 31, 2026 and financial year ended March 31, 2025 the Company has not conducted any transaction with Struck off companies.

65 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2026.

66 Compliance with number of layers of companies

Not Applicable

67 Ratios

	As at March 31, 2026	As at March 31, 2025	Explanation for denominator	Explanation for numerator	Explanation for change in the ratio by more than 25% as compared to the preceding year.
(a) Current Ratio	1.52	1.31	Current Liabilities	Current Assets	
(b) Debt-Equity Ratio	2.96	4.41	Equity share capital + Other equity	Debt securities + Borrowings (Other than debt securities) + Subordinate Liabilities- Cash and cash equivalents	Capital Infusion
(c) Debt Service Coverage Ratio	NA	NA			
(d) Return on Equity Ratio	-36.24%	-34.87%	Average Equity	Profit After Tax	
(e) Inventory turnover ratio	NA	NA			
(f) Trade Receivables turnover ratio	NA	NA			
(g) Trade payables turnover ratio	NA	NA			
(h) Net capital turnover ratio	NA	NA			
(i) Net profit ratio	-38.39%	-23.36%	Total Income	Profit After Tax	Impact of Micro Finance industry headwinds.
(j) Return on Capital employed	NA	NA			
(k) Return on investment	NA	NA			

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

68 Compliance with approved Scheme(s) of Arrangements

During the Financial year, no scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

69 Utilisation of Borrowed funds and share premium

During the year ended March 31, 2026, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend 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;

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend 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;

70 Disclosures as required under Master direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

70.1 Details of stressed loans transferred and investment made in Security Receipts to ARCs:

Particulars	For the year ended March 31, 2026	To Asset Reconstruction Companies (ARCs)	To permitted transferees	To other transferees (please specify)
(i) No of Accounts	4,98,490	4,98,490	-	-
(ii) Aggregate principal outstanding of loans transferred	1,17,006.42	1,17,006.42	-	-
iii) Weighted average residual tenure of the loans transferred (Months)	14	14	-	-
iv) Net book value of loans transferred (At the time of transfer)	44,447.60	44,447.60	-	-
v) Aggregate consideration	34,021.00	34,021.00	-	-
vi) Quantum of excess provisions reversed to the profit and loss account on account of sale of stressed loans	-	-	-	-
vii) Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-
viii) Investment in Security Reciepts (SR)	29,574.00	29,574.00	-	-

Particulars	For the year ended March 31, 2025	To Asset Reconstruction Companies (ARCs)	To permitted transferees	To other transferees (please specify)
(i) No of Accounts	88172	88172	-	-
(ii) Aggregate principal outstanding of loans transferred	20,003.57	20,003.57	-	-
iii) Weighted average residual tenure of the loans transferred (Months)	11.80	11.80	-	-
iv) Net book value of loans transferred (At the time of transfer)	10,761.84	10,761.84	-	-
v) Aggregate consideration	8,500.00	8,500.00	-	-
vi) Quantum of excess provisions reversed to the profit and loss account on account of sale of stressed loans	-	-	-	-
vii) Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-
viii) Investment in Security Reciepts (SR)	7,390.00	7,390.00	-	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

70.2 Recovery Ratings assigned to Security Receipts

Trust Name	Latest rating received till March 31, 2026
Phoenix Trust-FY 23-25	RR5
EARC Trust SC 487	RR3
Paras-144 Trust	RR1
Paras Trust-152	RR1+
PARAS Trust 167	RR1+
PARAS-178 Trust	RR1+
Paras-188 Trust	Under Planning
PARAS 196 Trust	Under Planning

70.3 Exposure to Real Estate Sector

Particulars	As at March 31, 2026	As at March 31, 2025
Category		
Direct exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	325.00	3,654.32
(ii) Commercial Real Estate -		
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 shall also include non-fund based limits	4.76	5.11
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential		-
b. Commercial Real Estate		-
Total Exposure to Real Estate Sector	**329.75**	**3,659.43**

70.4 Exposure to capital market

The Company does not have any exposure to Capital market as at March 31, 2026 and March 31, 2025.

70.5 Sectoral Exposure

Sectors	Year ended March 31, 2026			Year ended March 31, 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
i) Agriculture-Animal Husbandry	31,437.74	3,454.28	10.99%	49,670.16	4,914.69	9.89%
ii) Agriculture-Dairy	24,619.67	3,183.27	12.93%	38,747.59	5,029.58	12.98%
iii) Agriculture-Crops	3,49,453.25	35,327.42	10.11%	5,14,993.19	55,237.76	10.73%
iv) Agriculture- Others	5,301.31	739.22	13.94%	9,119.13	1,087.87	11.93%
Total (i+ii+iii+iv)	**4,10,811.97**	**42,704.19**	**10.40%**	**6,12,530.07**	**66,269.90**	**10.82%**

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Sectors	Year ended March 31, 2026			Year ended March 31, 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector
2. Industry						
i) Textile	8,468.85	1,355.56	16.01%	16,894.48	2,095.81	12.41%
ii) Others	6,666.09	1,455.59	21.84%	16,621.78	3,543.45	21.32%
Total (i+ii)	**15,134.94**	**2,811.16**	**18.57%**	**33,516.26**	**5,639.26**	**16.83%**
3. Services						
i) Trade	23,844.76	4,572.86	19.18%	42,676.14	6,559.42	15.37%
ii) Others	11,275.94	2,437.05	21.61%	22,535.56	3,744.05	16.61%
Total (i+ii)	**35,120.71**	**7,009.91**	**19.96%**	**65,211.71**	**10,303.48**	**15.80%**
4. Personal Loans						
i) Loan Against Gold Jewellery	2,13,876.92	1,194.78	0.56%	92,838.44	1,454.29	1.57%
ii) Product Loan	3,219.73	3,024.73	93.94%	11,962.33	5,203.41	43.50%
iii) Others	1,119.20	235.53	21.04%	2,820.61	384.24	13.62%
Total (i+ii+iii)	**2,18,215.84**	**4,455.05**	**2.04%**	**1,07,621.38**	**7,041.94**	**6.54%**

70.6 Intra Group Exposures

There is no Intra group exposures for the company

70.7 Unhedged foreign currency exposure

There is no unhedged foreign currency exposure for the company

70.8 Customer complaints

Particulars	As at March 31, 2026	As at March 31, 2025
Complaints received by the NBFC from its customers		
1. No. of complaints pending as at beginning of the year	1,168	86
2. No. of complaints received during the year	10,097	22,492
3. No. of complaints disposed during the year	10,945	21,410
Of which, number of complaints rejected by the NBFC	408	543
4. No. of complaints pending as at end of the year	320	1,168
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	47	89
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	43	85
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NIL	NIL
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	4	4
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026

(All the amounts in Rs. Lakhs are stated)

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (previously the Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

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
For the year ended March 31, 2026					
Collection Related	838	5,369	-54.52%	254	-
Credit Information Related	222	3,029	-31.08%	38	-
OGL Related / Online Payment	-	693	NA	1	-
Loan Related	20	334	-83.40%	13	-
Insurance Related	64	309	-84.10%	2	-
Others (Staff Related-14, Auction-4, GL-2, Product related-3, SMS-1)	24	363	-76.70%	12	-
Total	**1,168**	**10,097**		**320**	**-**
For the year ended March 31, 2025					
Insurance related	34	1944	-10.37%	64	26
Collection related	26	11806	79.50%	838	441
Loan Related	12	2012	289.92%	20	9
Service Related	1	777	NA	0	0
CIBIL related	12	4395	-1.06%	222	45
Others	1	1558	-38.54%	24	3
Total	**86**	**22492**		**1168**	**524**

70.9 Instances of breach of covenant of loan availed or debt securities issued

The Company has been regular in serving all its borrowings though there has been breach of some of the covenants, many of the borrowers across the microfinance industry were unable to service their loans on-time resulting in significantly elevated PAR, GNPA, NPA etc., The company was not immune to this industry trend and witnessed breach of some of the covenants due to elevated portfolio stress levels

Breach of Covenant	As at March 31, 2026	As at March 31, 2025
Number of Instances	18	53
Amount Involved (₹ In Lakhs)	52,755.46	319,343.34

70.10 Loans to directors, senior officers and relatives of directors

	As at March 31, 2026	As at March 31, 2025
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

70.11 Divergence in asset classification and provisioning -

No disclosure on divergence in asset classification and provisioning for NPAs is required for the FY 2025-26 and FY 2024-25 with respect to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dt November 28, 2025

Notes Forming Part of the Financial Statements

for the year ended March 31, 2026
(All the amounts in Rs. Lakhs are stated)

71 Previous year figures

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

For A. JOHN MORIS & Co
Chartered Accountants
ICAI Firm Registration No: 007220S

K.V. Sivakumar
Partner
ICAI Membership Number: 027437

Date: April 30, 2026
Place: Valapad

For and on behalf of the Board of Directors of
Asirvad Micro Finance Limited

V P Nandakumar
Chairman
(DIN No.00044512)

G D Manoj Pasangha
Chief Executive Officer

Dr. Roy Varghese
Chief Executive Officer

Rajesh KRN Namboodiripad
Chief Financial Officer

Mithun B Shenoy
Company Secretary

Date: April 30, 2026
Place: Valapad

ASIRVAD MICRO FINANCE LIMITED

Subsidiary of MANAPPURAM FINANCE LTD.

Small Loans... Big Dreams..

Concept, Content & Design
(info@wyatt.co.in)

ASIRVAD MICRO FINANCE LIMITED

Subsidiary of MANAPPURAM FINANCE LTD.

Small Loans...Big Dreams...

EXTRACT FROM THE MINUTES OF THE 01/ 2023-24 EXTRA-ORDINARY GENERAL MEETING OF MEMBERS OF ASIRVAD MICRO FINANCE LIMITED HELD ON SATURDAY, APRIL 01, 2023, AT 10:30 A.M. (IST) THROUGH VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS (OAVM) AT BOARD ROOM, 4TH FLOOR, IV/470A (OLD) W638A (NEW), MANAPPURAM HOUSE, VALAPAD, THRISSUR-680567 (KERALA).

1. **To increase the borrowing power of the Company under Sections 180(1) (c) of the Companies Act, 2013**

"**RESOLVED THAT** in supersession to the earlier resolutions passed in this regard at the Annual General Meeting dated September 08, 2021 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules made thereunder (including any statutory modifications, variations or/ and re-enactments thereof, for the time being in force), the consent of the Members of the Company be and are hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution), to borrow from time to time, any such sum or sums of monies, which together with moneys already borrowed by the Company, as they may deem appropriate for the purpose of the Company from any Bank(s), Public Financial Institution(s), Non-Banking Finance Companies, Co-Operative Banks, Investment Institutions, Banks, Mutual Funds, Companies and other Bodies Corporate or any Foreign Financial Institution(s) and/or any other entity/ entities or authority/ authorities either in Indian Rupees or equivalent thereof in any foreign currency(ies), whether by way of advances, loans, issue of debentures/ bonds and/or other instruments however, that the total borrowings may exceed the aggregate of paid-up capital, free reserves and securities premium of the Company, provided that the outstanding amount so borrowed at any time (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed an amount of Rs. 16,000 Crores (Rupees Sixteen Thousands Crores Only), which may be borrowed in one or more than one tranches."

For ASIRVAD MICRO FINANCE LIMITED

Mithun B Shenoy
Company Secretary

"**RESOLVED FURTHER THAT** the consent be and is hereby accorded to do securitisation deals as per the Securitisation Policy of the Company as amended from time to time."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, arrange, give such directions as may be deemed necessary or expedient, or settle the terms and conditions of such instrument, securities, loan, debt instrument as the case may be, on which all such sums of money as are borrowed, or to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit, and to execute all such documents, instruments and writings as may be required to give effect to this Resolution and for matters connected therewith or incidental thereto, including intimating the concerned authorities or other regulatory bodies and also to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to the Borrowing & Securities Allotment Committee or to any Committee of Directors or to any officer or officers of the Company in this regard."

2. **To create charges on the Movable and Immovable properties of the Company, both present and future, in respect of borrowings under Section 180(1) (a) of the Companies Act, 2013**

"**RESOLVED THAT** in supersession to the earlier resolutions passed in this regard at the **Annual** General Meeting dated September 08, 2021 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 read with relevant rules (including any statutory modifications, variations or/ and re-enactments thereof, for the time being in force), the consent of the Members of the Company be and are hereby accorded to the Board of Directors of the Company or the Committee of the Board to create such charges, mortgages, hypothecations in all or any movable or immovable properties of the Company both present and future and/ or the whole or any part of the undertaking of the Company in favour of Banks, Trustees, Agents, Financial Institutions or any other lenders to secure the amount borrowed/ to be borrowed by way of loan in foreign currency and/or in rupee currency and securities comprising of fully/ partly convertible debentures and/ or secured premium notes and/ or floating rates notes, bonds or other debt instruments issued/ to be issued by the Company from time to time in one or more tranches, for the due payment

For ASIRVAD MICRO FINANCE LIMITED

Mithun B Shenoy
Company Secretary

of the principal together with interest at the respective agreed rates, additional interest and in case of default accumulated interest, liquidated damages, commitment charges on pre-payment, remuneration of the agents and/ or trustees, premium if any on redemption, all other costs, charges and expenses including any increase as a result of devaluation, revaluation, fluctuation in the rates of exchange and all other moneys payable by the company in terms of the respective loan agreement, debentures, trust deed or any other document entered into/ to be entered into between the Company and the lenders, investors, agents and/or trustees in respect of the said loans, borrowings, debentures and continuing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the board of directors or any committees thereof and the lenders, agents and/ or trustees, provided that maximum amount of the indebtedness secured by the properties of the Company shall not exceed Rs. 16,000 Crores (Rupees Sixteen Thousands Crores Only) at any time."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or **Directors** or to the Borrowing & Securities Allotment Committee or to any Committee of Directors or to any officer or officers of the Company in this regard and to do all such other acts/ deeds/ matters and/ or things as may be deemed necessary, expedient, essential and consequential to give effect to this resolution(s)."

//Certified True Copy//-

For Asirvad Micro Finance Limited

Mithun B Shenoy
Company Secretary
Membership No: F10527

CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED AT THE MEETING NO. 01/2026-27 OF THE BOARD OF DIRECTORS OF ASIRVAD MICRO FINANCE LIMITED HELD ON FRIDAY, APRIL 10, 2026, THROUGH VIDEO CONFERENCING AT MANAPPURAM FINANCE LIMITED, W-638A (NEW), MANAPPURAM HOUSE, VALAPAD, THRISSUR- KERALA - 680567

APPROVAL OF BORROWING PROGRAM IN LINE WITH THE BUSINESS PLAN AND DELEGATION OF POWERS TO COMMITTEES

a) Various limits from Banks/Financial institutions:

"RESOLVED THAT the approval of the board be and is hereby given under section 179 (3)(d) and all other applicable provisions, if any, of the Companies Act,2013 to raise money from one or more banks/financial institutions by way of cash credit/term loan or other working capital loan including External Commercial Borrowing subject to an aggregate limit of Rs. 12,000 crore during the financial year 2026-27, and that the Borrowing and Securities Allotment Committee of the Board is authorized to exercise the borrowing powers including the creation of security wherever required."

b) Public Issue/ Private placement of Debentures:

"RESOLVED THAT pursuant to Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debenture) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 as in force or amended from time to time, the relevant rules / regulations / guidelines, if any, prescribed by the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and/or any other regulatory authority, the relevant provisions of the Articles of Association of the Company, approval of the Board be and is hereby accorded, to issue Redeemable Non-Convertible Debentures (NCDs) on a public issue/ private placement basis, whether rated or otherwise in one or more tranches, for Rs. 3,000 Crores (Rupees Three Thousand only) during the Financial Year 2026-27, and if required, the same may be secured by the charge on assets of the company in favour of debenture trustees."

For ASIRVAD MICRO FINANCE LIMITED

Mithun B Shenoy
Company Secretary

"RESOLVED FURTHER THAT Board of Directors of the Company including Borrowing and Securities Allotment Committee of the Board be and is hereby authorized to do all such acts, deeds and things to give effect to the above resolution including appointment of trustees, Registrar and Transfer Agent, fixing the terms and conditions for the issue of NCDs, preparation and authentication of offer letters, issue and allotment of debentures, creation of charge, payment of applicable stamp duties, authorizing officers or intermediaries in connection with the issue of NCDs or any other matter incidental or ancillary thereto."

c. Commercial papers / Inter-corporate borrowing:

"RESOLVED THAT approval of the Board be and is hereby given to raise money for meeting the working capital or other short term requirements by way of issue of commercial papers as per the relevant guidelines issued by RBI and also by way of inter-corporate borrowings subject to an aggregate limit of Rs.1000 Crores outstanding at any one point of time and that the Borrowing and Securities Allotment Committee of the Board is authorized to do all such acts, deeds and things as may be necessary, incidental or ancillary for the issuance of commercial papers and inter-corporate borrowings."

d. Direct Assignment:

"RESOLVED THAT approval of the Board be and is hereby given to undertake Direct Assignment Deals as per the Board approved policy on Direct Assignment."

"RESOLVED FURTHER THAT that the Borrowing and Securities Allotment Committee of the Board is authorized to do all such acts, deeds and things as may be necessary, incidental or ancillary to give effect to the above resolution."

-/Certified True Copy/-

For Asirvad Micro Finance Limited

Mithun B Shenoy
Company Secretary

Consent letter from the Statutory Auditor

Date: September 15, 2026

To,

Asirvad Micro Finance Limited,

CEEBROS MANJULA, 3rd Floor,

Office No. 1, New No.39, Old No.45,

Montieth Road, Egmore,

Opp: Indian Red Cross Society,

Chennai, Tamil Nadu - 600 008

Dear Ma'am/Sir

Sub: Proposed issuance of Secured and Unsecured, Non-Cumulative, Redeemable, Listed, Rated, Taxable, Non-Convertible Debentures ("NCDs") by Asirvad Micro Finance Limited ("Issuer") on private placement basis ("Issue")

We, A. John Moris & Co., Chartered Accountants, hereby give our consent that the following details along with any information as required to be disclosed pursuant to SEBI NCS Regulations with respect to us may be disclosed:

Name:	A John Moris & Co., Chartered Accountants
Date of appointment:	September 30, 2024
Address:	No.5, Lakshmipuram, 1st Street, Deivasigamani Road (Near Music Academy), Royapettah, Chennai- 600014, Tamil Nadu, India
Logo:	A. JOHN MORIS & CO., CHARTERED ACCOUNTANTS
Tel:	+91 9444040332
Email:	ajohnmoris@gmail.com
Website:	https://www.ajohnmoris.com/
Peer Review No:	024111
Contact Person:	Mr. A. John Moris

A. JOHN MORIS & CO. Chennai-14 Chartered Accountants

We confirm that neither we, nor our affiliates have been engaged in or interested in the formation or promotion, or in the management, of the Issuer, and neither we nor any of our affiliates have any material pecuniary interest in the Issuer.

We hereby consent to inclusion of the extracts of this certificate in the General Information Document, relevant Key Information Document, or any other document in relation to the Issue.

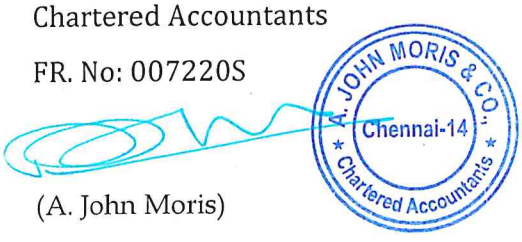
We confirm that we will immediately inform the Issuer of any change, additions, or deletions in respect of the matters covered in this certificate as and when we become aware of the same. In the absence of any such communication from us, the above information should be taken as updated information until commencement of trading of the NCDs on BSE

We also agree to keep strictly confidential, until such time as the proposed transaction is closed, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Issuer.

This certificate has been issued at the request of the Issuer for use in connection with the Issue and may accordingly be relied on by the Issuer in relation to the Issue, and may, inter alia, be submitted to BSE and/or any other regulatory/statutory/governmental or any other authority, and be produced in any actual/potential proceeding or actual/potential dispute relating to or connected with the General Information Document, relevant Key Information Document or otherwise in connection with the Issue.

Yours faithfully,

For **A. John Moris &Co,**
Chartered Accountants
FR. No: 007220S



(A. John Moris)
Managing Partner
M. No: 029424
UDIN: 26029424IUPSUK7140