

NEOGROWTH

Lending simplified. Growth amplified.

ANNUAL REPORT 2024-25

Strong Roots
Stronger Resilience



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Strong roots

Stronger resilience

Steadily anchored in technology-driven growth, NeoGrowth is thriving on the strength of advanced digital infrastructure, data-driven decision-making, and a sound customer-first approach. Our business model accelerates access to responsible credit, helping MSMEs overcome traditional barriers and seize fresh opportunities. At the same time, we maintain robust risk management practices to ensure sustainable impact and business adaptability.

As a leading NBFC, NeoGrowth is focused on delivering faster, more flexible credit solutions tailored to the evolving needs of MSMEs. By bridging information gaps and leveraging technology, we support small businesses in scaling efficiently and contributing to India's economic momentum.

Our digital ecosystem is built for agility and scale. Our technology-led platform equips us to respond quickly to evolving customer needs, supporting MSMEs across diverse geographies and industries.

By empowering MSMEs, the enduring mainstay of Indian economy we are catalysing a stronger, more inclusive, and resilient India, rooted in robust socio-economic metrics. When small businesses flourish, so does the nation, driven by entrepreneurs who truly embody the spirit of new-age India - bold, inspired, and agile.

FY 2024-25 Highlights

**Progressing
purposefully**

**Embracing
change**

Anchored in our digital lending model, we enhanced data-driven decisioning and reinforced risk management frameworks to maintain portfolio quality. Our approach remains rooted in leveraging technology to deliver timely, tailored credit with a strong focus on governance and operational discipline.

**Financial metrics****₹750 Cr**

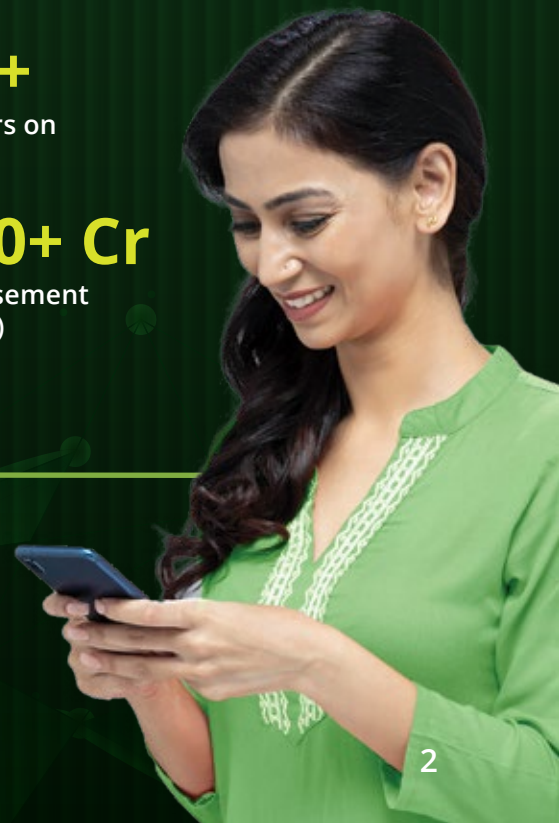
Total Income

₹680 Cr

Net Worth

0.30%

Return on Assets (RoA)

29.07%Capital to Risk
Weighted Asset Ratio
(CRAR)**Operational metrics****1,50,000+**Customers engaged
(since inception)**10,000+**Active borrowers on
customer app**₹14,700+ Cr**Lifetime disbursement
(since inception)

₹466 Cr
Net Interest Income

27,000+
Active customers

6.09%
Operational Cost to
AUM

37.43%
Operational Cost to
Net Interest Income

₹12 Cr
Profit Before Tax

₹2,413 Cr
Total Disbursement

2.96%
Net NPA

₹2,700 Cr
Assets Under
Management (AUM)



Impact metrics

66.40%
Loan portfolio with
≤ ₹25 Lakh ticket size
(by value)

25.29%
Loans to women-
owned or women-led
businesses (by value)

95%
Reduction in paper
usage with end-to-end
digital loan journey

27.23%
Loans to tier II cities
(by value)

33.47%
Loans advanced to
businesses with
vintage ≤ 5 years (by
volume)

Recognitions



Received the **'Innovation In Technology'** award for our Customer App at the Finnoviti & Technoviti Conclave & Awards 2024, organised by Banking Frontiers.



Won **'Best Fintech App'** award for our Customer App at the 15th India Digital Awards, organised by IMAI (Internet and Mobile Association of India).



Recognised for **'Best Use of Technology to Enhance Customer Experience'** for our Customer App at the 5th Annual BFSI Technology Excellence Awards 2024, organised by Quantic India.



Secured **'Best Technology-based NBFC'** award for its Tech & Digital capabilities at the 18th NBFC & Fintech Awards 2024, organised by Hello Founder Infomedia Private Limited.

Context

Bridging gaps Building futures

Micro, Small, and Medium Enterprises (MSMEs) are the heartbeat of India's economy

With over 63 million MSMEs contributing 30% to India's GDP and generating employment for over 116 million people, the sector plays a stellar role across manufacturing, trade, services, and innovation. Accounting for 40% of India's exports, MSMEs significantly bolster our global standing.

However, the sector continues to face a substantial credit gap of ₹30 lakh crores, an impediment that restricts its capacity to scale, innovate, and generate employment. Addressing this gap is a national imperative and a strategic priority to unlock the full potential of the MSME sector and propel India towards inclusive and sustainable growth.

A wave of change is reshaping the MSME landscape

Bolstered by Government reforms, increased formalisation, and rapid digitisation, adoption of digital payments, small businesses are being empowered to think big and act fast. With deeper digital adoption, MSMEs are discovering smarter ways to serve customers, streamline operations, and explore new opportunities. However, one challenge continues to constrain their progress: **access to finance.**

Despite their substantial contributions, MSMEs still receive a disproportionately small share of formal credit. This gap is more than just a financial challenge, it is a roadblock to growth, aspiration, and broader economic progress.



India is writing a new chapter of progress - bold, inclusive, and full of promise

India, one of the world's fastest-growing economies, is advancing steadily towards its USD 5 trillion aspiration. This progress is driven by the entrepreneurial spirit, innovation, and resilience of its people.

Enter India's growth revolution

Organisations like NeoGrowth are reshaping the landscape, offering flexible and rapid funding that closely align with the unique requirements of MSMEs. In addition to easing cash flow, these solutions go a long way in building confidence, fuelling aspiration, and supporting entrepreneurs in their journey to transform vision into reality.

The growth of MSMEs is intricately linked to India's progress because when MSMEs thrive, the nation moves forward with lives transformed, communities empowered, and futures made brighter.

Corporate Identity

Powering aspirations Multiplying opportunities

NeoGrowth Credit Private Limited (NeoGrowth), is a leading middle-layer Non-Banking Financial Company (NBFC-ML) rooted in the mission of advancing India's MSME ecosystem.

NeoGrowth's differentiated model is rooted in digital payments, a wide product suite, **data-led underwriting, and flexible repayment, enabling accurate credit assessments and empowering underserved businesses.** We have harnessed the power of India's robust digital infrastructure and India Stack to develop a comprehensive portfolio of loan offerings aimed at addressing the evolving needs of MSMEs. So far, we have disbursed more than ₹14,700 crore in loans, driving tangible and lasting socio-economic impact across sectors and geographies.

Recognising the pivotal role of MSMEs in powering India's economic engine, we remain focused on enabling their progress through timely and tailored credit solutions delivered digitally. Backed by a decade of deep domain experience, we have become a trusted partner for MSMEs across the country. As a middle layer non-banking financial company (NBFC-ML), we are committed to driving responsible, tech-enabled lending practices that respond to business realities, support cash flow cycles, and fuel enterprise momentum in a fast-evolving ecosystem.



Our Mission

To fund small businesses by leveraging the digital ecosystem. Our financing not only helps our customers grow but also creates a positive impact.



Our Core Values

NeoGrowth thrives on three core values of accountability, customer focus, and innovation. All our products are designed with these values, helping us gain a competitive edge in the evolving marketplace.

Our Prominent Investors



Accountability

Goes hand-in-hand with transparency. We foster a strong sense of ownership in all that we do.

Customer Focus

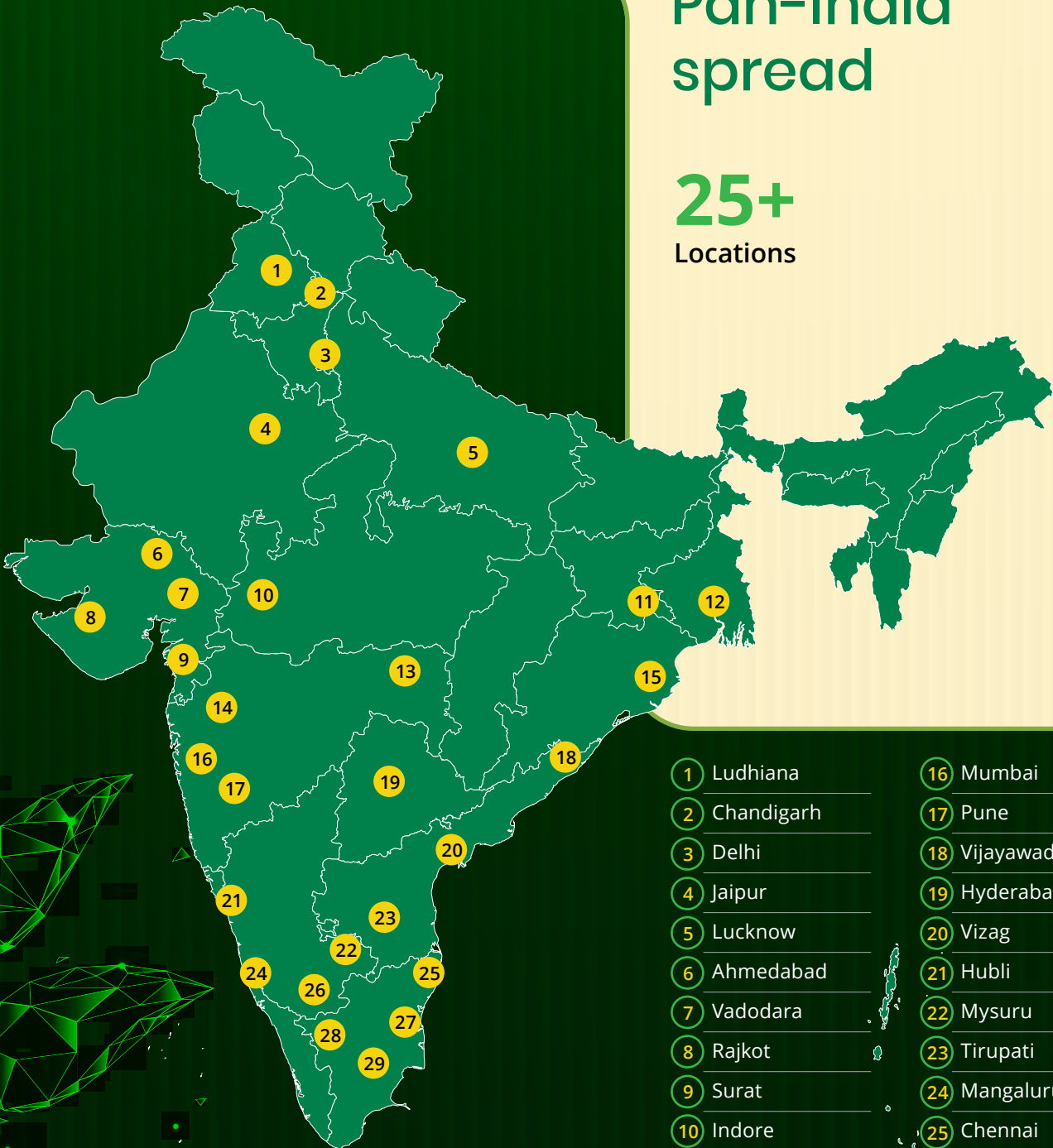
All our actions need to have a positive impact on the customers we serve.

Innovation

We are a new-age financial services company where innovation is in our DNA.

Pan-India spread

25+
Locations

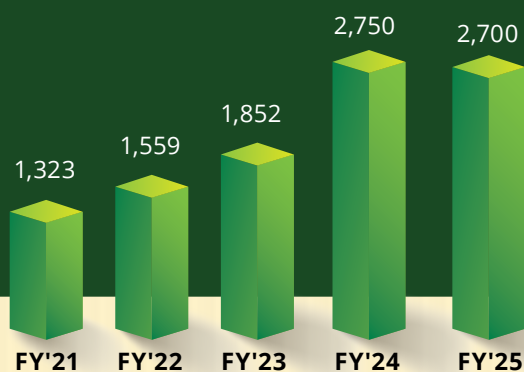


- | | |
|----------------|---------------|
| 1 Ludhiana | 16 Mumbai |
| 2 Chandigarh | 17 Pune |
| 3 Delhi | 18 Vijayawada |
| 4 Jaipur | 19 Hyderabad |
| 5 Lucknow | 20 Vizag |
| 6 Ahmedabad | 21 Hubli |
| 7 Vadodara | 22 Mysuru |
| 8 Rajkot | 23 Tirupati |
| 9 Surat | 24 Mangaluru |
| 10 Indore | 25 Chennai |
| 11 Jamshedpur | 26 Bengaluru |
| 12 Kolkata | 27 Puducherry |
| 13 Nagpur | 28 Coimbatore |
| 14 Nashik | 29 Madurai |
| 15 Bhubaneswar | |

Key Performance Indicators

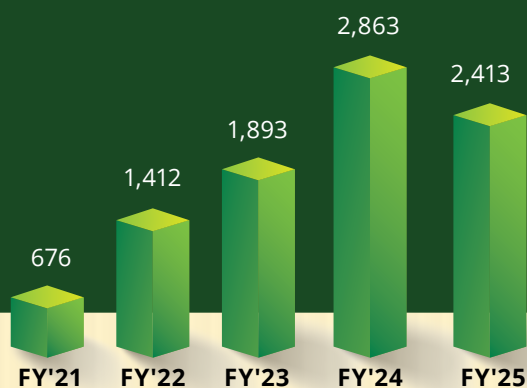
AUM

(₹ in Crore)



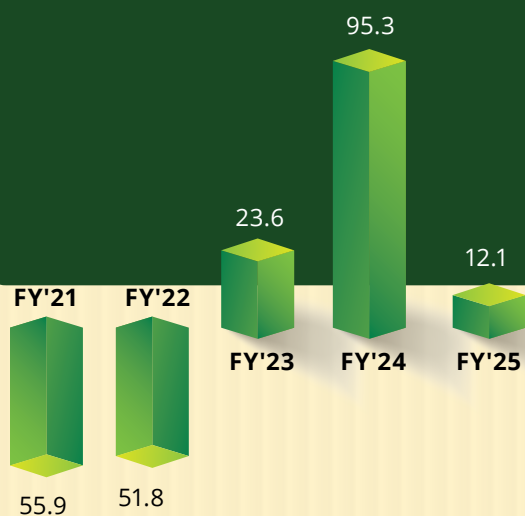
Disbursements

(₹ in Crore)



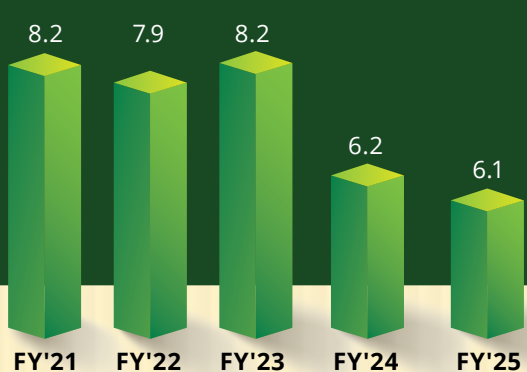
Profit Before Tax

(₹ in Crore)



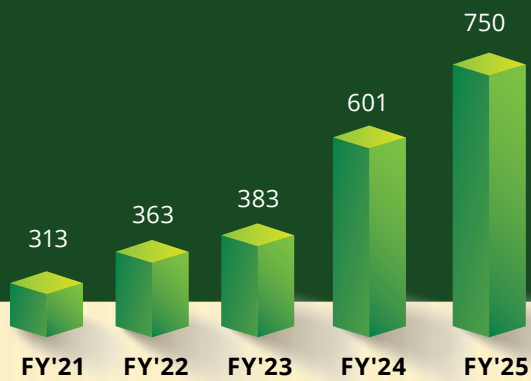
Operational Cost to AUM

(%)



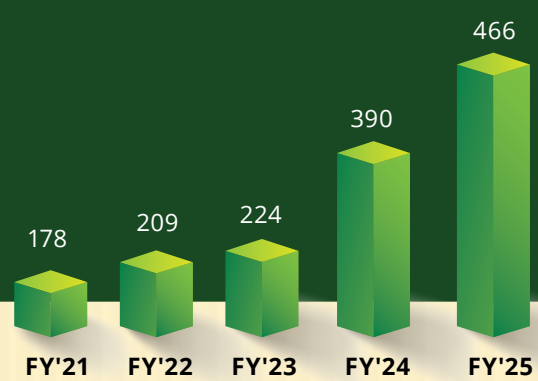
Total Income

(₹ in Crore)



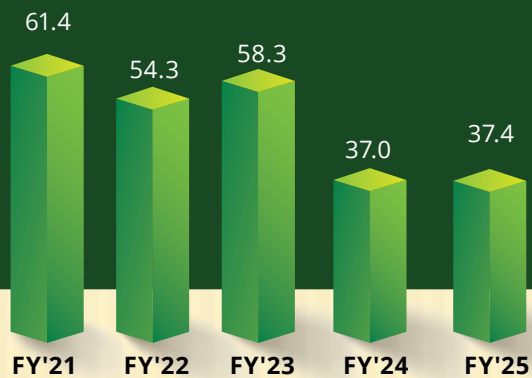
Net Interest Income

(₹ in Crore)



Operational Cost to Net Interest Income

(%)



Founder & Chairman's Message

Dear Stakeholders,

FY 2024–25 was a year of steady execution and meaningful progress. We continued to focus on our core mission of delivering responsible credit to unserved and underserved businesses while strengthening our digital capabilities, enhancing risk frameworks, and expanding our presence across markets with a view to building long-term, sustainable growth.

We navigated these evolving market dynamics with agility and focus. Our robust performance in the face of macroeconomic uncertainties and the ongoing adverse credit cycle reflects the inherent strength of our business model, the discipline and determination of our teams,

and the continued trust of our customers. More than just a measure of success, NeoGrowth's performance today stands as an affirmation of our commitment to foster responsible credit access that is both inclusive and impact-oriented.

India's economic prominence

India continues to assert itself as one of the fastest-growing major economies, emerging as a key engine of global growth. Amid a globally moderate and uncertain environment, India's steady progress is underpinned by strong domestic fundamentals.

Its growth trajectory remains robust, powered by resilient internal drivers and a rapidly evolving consumption ecosystem.

India's digital inflection

A sweeping digital transformation is taking shape across the length and breadth of India redefining the economic landscape at an unprecedented pace. The digital economy is projected to account for nearly 20% of national income by 2029-30, surpassing traditional sectors including agriculture and manufacturing¹. This stupendous rise signals a fundamental realignment, establishing digital as a cornerstone of India's long-term growth story.



Piyush Khaitan
Founder & Chairman

Several powerful structural enablers are driving this momentum. India now ranks as the world's second-largest market for mobile subscriptions and digital payments, recording approximately 221.9 billion transactions in FY 2024–25, a 35% increase over the previous year².

It also leads globally in biometric digital ID coverage with over 1.3 billion Aadhaar cards issued and has rapidly emerged as the second-largest 5G smartphone market. India is also among the most active contributors globally in the development and deployment of emerging technologies³.

Enabling MSMEs

MSMEs are not just economic contributors – they are engines of innovation, employment, and inclusive growth across India. As the nation undergoes a shift in how people spend and transact, these businesses are uniquely positioned to harness the momentum. The confluence of rising private consumption and rapid digital adoption is unlocking new growth pathways expanding market access, improving formalisation, and enabling MSMEs to scale with greater confidence.

In this evolving landscape, MSMEs are not merely responding to change they're at the forefront of it. At NeoGrowth, we are proud to fuel this momentum with responsible finance and digital agility.

We see our role as catalysts in this transformation. By blending digital tools with inclusive and responsible lending models, we enable MSMEs to overcome long-standing structural barriers and build for scale, stability, and sustainability. Our objective to democratise access to credit is rooted in the belief that small businesses, when equipped with timely financial support, can drive large-scale socio-economic upliftment.

Structural Pillars Powering India's Digital Rise

Building blocks of a tech-enabled, consumption-driven economy

Emerging Tech Contribution

India is among the most active nations in open-source AI development and software exports

Digital Identity

Over 1.3 billion biometric digital IDs issued, enabling secure and inclusive digital onboarding

High-Speed Digital Infrastructure

India is the second-largest 5G smartphone market, accelerating digital readiness across urban and emerging regions



Digital Payments

A total of 221.9 billion digital payment transactions recorded in FY 2024–25, reflecting a 35% increase in adoption of digital payment methods across the country⁴.

Mobile Penetration

India ranks as the world's second-largest mobile subscriber base, expanding last-mile digital access

Together, these structural enablers are redefining India's growth trajectory placing digital at the heart of its economic transformation

¹Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2097125>

²https://cfo.economictimes.indiatimes.com/news/upi-dominates-digital-payments-in-india-surges-to-837-market-share-in-fy25/121517195?utm_source=chatgpt.com

³<https://uidai.gov.in/en/about-uidai/unique-identification-authority-of-india.html?>

⁴<https://www.granthornton.in/globalassets/1.-member-firms/india/assets/pdfs/newsletters/india-payments-trends-report-2024.pdf>

Advancing business impact

Our strength lies in resilience, the ability to adapt, evolve, and lead with purpose in a dynamic environment. As we move forward with steady resolve, we remain firm, focused, and fearless, accelerating inclusive growth through MSME-led transformations.

This philosophy comes to life through the very solutions we design attuned to the realities of small business owners and aimed at fuelling their everyday growth. Our product suite reflects this strategic shift. Tailored for small and mid-sized businesses across manufacturing, distribution, and service sectors, it addresses one of the most persistent challenges faced by MSMEs: access to timely funding constrained by limited documentation or credit history.

We leverage a flow-based underwriting approach driven by real-time cash flows and transaction records.

This frictionless, digital-first solution ensures faster credit decisions, enabling MSMEs to seize business opportunities at the most opportune moment. With simplified processes, minimal paperwork, and a strong focus on ease of doing business, our product suite is converting intent into impact and unlocking momentum for underserved yet creditworthy enterprises.

At NeoGrowth, we see our role as catalyst in this transformation. By blending digital tools with inclusive and responsible lending models, we enable MSMEs to overcome long-standing structural barriers and build for scale, stability, and sustainability.

Commitment to inclusive growth

We have broadened our social footprint with the launch of NeoShakti, our flagship CSR initiative dedicated to empowering the economic progress of women through skill development and livelihood generation. From vocational training and mentorship programmes to workplace safety initiatives, our CSR programmes foster holistic growth and lasting financial independence.

A people-first culture remains the anchor of our journey. We continue to emphasise talent development, inclusivity, and engagement fostering a positive and high-performing workplace where individuals feel supported and empowered to grow.

Our approach to governance is built on a foundation of integrity, transparency, and accountability. Led by a seasoned Board, we continue to uphold stringent compliance norms and global best practices, sustaining investor trust and long-term credibility.

The road ahead

As we chart the path forward, we do so with sound confidence and optimism. Guided by a focused strategy, we remain committed to driving operational excellence, scaling responsibly, and unlocking the full potential of technology to broaden our reach and amplify our impact.

Thank you for your continued support as we shape the next phase of our journey.

Warm regards,

Piyush Khaitan

Founder & Chairman

Message from the MD & CEO

Dear Stakeholders,

At NeoGrowth, we remain committed to our purpose of enabling credit access for India's small businesses through innovation, accountability, and customer focus. FY 2024-25 was a challenging year, shaped by the evolving credit cycle and a volatile macroeconomic environment. Demonstrating the robustness of our business model and our resilience in the face of external challenges, we were able to navigate with proactive business interventions.

Disciplined growth and financial prudence

In an environment marked by evolving credit conditions, we remained rooted in discipline and prudence. As of 31st March 2025,

our Assets Under Management (AUM) stood at ₹2,700 crore, while loan disbursements reached ₹2,413 crore. We recorded Total Income of ₹750 crore and Profit Before Tax (PBT) of ₹12 crore, reaffirming our focus on calibrated risk management and sound financial stewardship.

A sharper operational focus helped maintain our Operating Costs to Net Revenue ratio at 37%. Our credit rating from ICRA remained stable at BBB+, while CARE upgraded our rating from BBB to BBB+, an encouraging reflection of our strong fundamentals and governance standards.

Risk management and digitising the lending value chain

At NeoGrowth, we continued to demonstrate resilience, supported by operating efficiency and prudent risk management. In response to the evolving credit landscape, we proactively implemented a series of data-led policy enhancements, fortified our collections and recovery infrastructure, and embedded technology across the value chain to strengthen both underwriting and collections. These measures reflect our long-standing commitment to responsible lending and our readiness to adapt to macroeconomic shifts without compromising on portfolio quality.

As we enter a phase of cautious, sustainable growth, our focus remains on maintaining a healthy risk-reward balance, deepening



Arun Kumar Nayyar

Managing Director &
Chief Executive Officer

our engagement with lower-risk MSME segments, and leveraging advanced data science models and early warning systems to mitigate defaults and support long-term portfolio resilience.

Strengthening funding for future growth

We continued to strengthen our funding framework, maintaining stability through a dynamic external environment. This was underpinned by consistent execution and effective planning across our financing activities.

Impact as an imperative

At NeoGrowth, we believe that our responsibility extends beyond financial outcomes. We have built an integrated impact framework that anchors Environmental, Social, and Governance principles into the way we operate focusing on inclusion, transparency, and long-term value creation.

Our social impact efforts are led by NeoShakti, our flagship CSR initiative aimed at empowering women through employability, upskilling, and formal workforce participation. Through targeted training programmes, mentorship, and financial awareness, we continue to foster greater economic agency among women from underserved backgrounds.

Strategic Anchors for Resilient Business

Strengthened Business Fundamentals

- Prudent disbursement and calibrated portfolio mix
- Stable credit rating amidst a volatile environment

Robust Risk Management

- Risk-reward calibration for portfolio resilience
- Data-led credit policy enhancements
- Strengthened collections and recovery infrastructure
- Early warning systems to pre-empt risk

Integrated Digital Ecosystem

- Full-stack digitisation across the lending lifecycle
- Faster, sharper decision-making through data integrations
- Embedded platforms for collections and lead management

Collective commitment to Strong Roots

We continue to ground our efforts in clarity, accountability, and alignment across systems, teams, and partnerships. Over the year, we strengthened our ability to respond with agility, supported by enhanced digital visibility and improved internal coordination.

Our teams remained focused and adaptive, driving execution with care, consistency, and a shared sense of ownership. These collective efforts have reinforced our ability to stay resilient in a dynamic environment while continuing to meet the evolving needs of our customers.

I extend my sincere thanks to our customers, employees, investors, bankers, lenders, business partners and regulatory stakeholders for their continued trust. Together, we remain focused on building responsibly and growing with intent.

Thank you,

Arun Nayyar

Managing Director & Chief Executive Officer

Business Framework

Lending simplified Growth amplified

Our strengths

Strong leadership

We leverage a robust foundation rooted in visionary leadership. A highly experienced management team with diverse expertise steers NeoGrowth with strategic clarity, operational excellence, and a sharp focus on sustainable growth.

Unique lending model

We offer flow based lending solutions delivered through an omni-channel route to market. Coupled with flexible repayment options, our model is designed to meet the unique cash flow patterns of small businesses, ensuring both access and affordability.

Robust risk management

We maintain a strong collections framework and proactive risk mitigation measures along with a rigorous, data-driven approach to portfolio management, ensuring stability across market cycles.

Diverse product portfolio

We offer collateral-free and secured loan offerings to address the evolving financial needs of MSMEs. This sharp product segmentation is based on customer needs and the nature of their businesses.

Decisioning backed by data analytics

We deploy analytics and the digital ecosystem to power our proprietary, flow-based underwriting model - enabling faster credit decisions and wider access to credit for MSMEs.

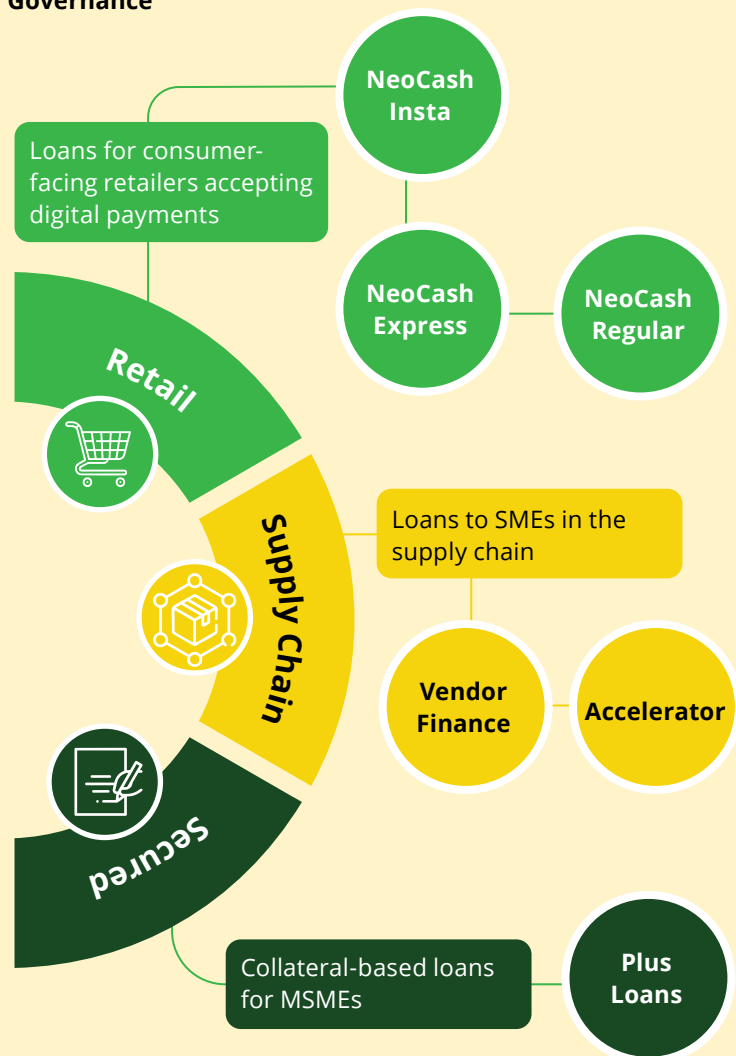
Digital journey

We extend end-to-end digital onboarding experience to simplify the loan journey for customers, making the process seamless, transparent, and efficient. By integrating technology at every step, we reduce friction and enhance customer satisfaction.

Our product suite

Guided by

Mission | Core Values | Risk & Operating Environment | Governance



Key SDGs involved



Products

Customising solutions Advancing opportunities

We provide customised financial solutions that empower MSMEs across all phases of their growth and transformation. Our intricately designed product suite, consisting of Retail Finance, Supply Chain Finance, and Plus Loans, caters to a broad spectrum of funding needs with agility and precision. Through timely and relevant credit support, our solutions foster entrepreneurship and facilitate sustained value creation.

Whether it's a kirana store managing daily inventory, a wholesaler scaling operations, or a service business bridging seasonal cash gaps our products are built to meet real-world MSME needs.

Our sustained focus on product innovation keeps us ahead of the prevailing and emerging market dynamics. To remain in step with changes, we continue to upgrade existing offerings and develop new, need-based solutions through the strategic use of technology, in-depth market analysis, and regular customer engagement.

Our persistent effort to bolster innovation enhances our value proposition and cements our position as a frontrunner in delivering forward-thinking financial services.



These offerings are underpinned by a robust set of features that make credit more accessible, adaptable, and impactful for our customers.

1

End-to-end digital journey

We offer a seamless digital lending experience from application to disbursement by

Extending swift and convenient access to funds

Augmenting borrower experience through fully digitised processes

2

Flexible repayment options

We empower MSMEs to manage their finances more effectively by

Offering daily repayment plans tailored to business cycles

Supporting financial resilience and sustainability

4

Focus on inclusion and impact

We are committed to driving inclusive growth by

Aiding women entrepreneurs, first-generation entrepreneurs and businesses in Tier-II cities

Promoting financial inclusion and fostering self-reliance

3

Data-led underwriting

We use proprietary risk models to ensure inclusive and accurate lending decisions

Creditworthiness evaluated beyond traditional documents

Personalised solutions to meet the evolving needs of MSMEs

Together, these features ease the financial journey of MSMEs by removing barriers to credit, simplifying complex processes, and offering solutions tailored to their unique business needs enabling them to focus on what matters most: growing their business.



Retail finance

We formulated Retail Finance solutions tailored to the distinct cash flow patterns of consumer-facing businesses. They provide the flexibility needed to manage inventory procurement, meet day-to-day operational expenses, and capitalise on growth opportunities. Delivered through a fully digital, end-to-end process, our solutions enable a seamless and efficient borrowing experience.



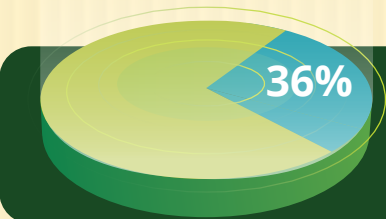
57%

Contribution to AUM in
FY 2024-25

NeoCash Insta

End-to-end digital lending to micro retailer segment.

Contribution to AUM#



Ticket size

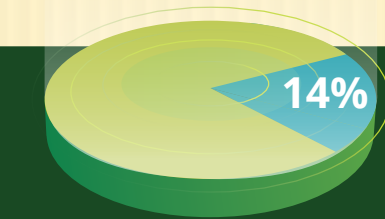
upto ₹20 lakhs

FY 2024-25

NeoCash Express

Captures small scale customers by leveraging digital processes.

Contribution to AUM#



Ticket size

upto ₹30 lakhs

NeoCash Regular

Retailers with sizeable business.

Contribution to AUM#



Ticket size

upto ₹75 lakhs

Supply chain finance

We developed Supply Chain Finance solutions to meet the credit requirements of vendors, manufacturers, suppliers, and service providers operating within the complex ecosystems of large enterprises. By offering flow-based lending models, we facilitate efficient cash flow management and help boost business continuity and partnerships across the supply chain.

39%

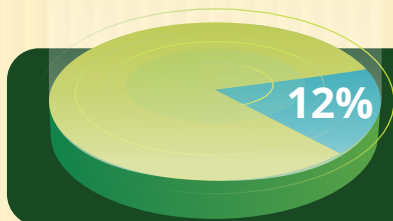
Contribution to AUM
in FY 2024-25



Vendor Finance

Funding to mature GST registered MSMEs with significant linkages to large corporates.

Contribution to AUM#



Ticket size

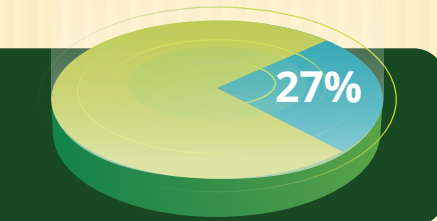
upto ₹75 lakhs

FY 2024-25

Accelerator

Funding to emerging GST registered MSMEs with evolving linkages to large corporates.

Contribution to AUM#



Ticket size

upto ₹30 lakhs

Plus loans

We designed our Plus Loan suite of secured lending solutions to complement our existing product portfolio. Focused on retailers, manufacturers, suppliers, distributors, traders, dealers, and service providers, these loans maximise funding against residential, commercial, warehouse, or industrial properties.

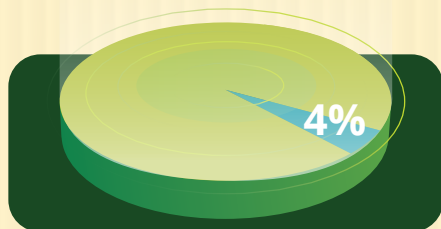
4%

Contribution to AUM
in FY 2024-25

Secured Business Loans

Structured loans secured by property to optimise funding based on a range of commercial and residential asset classes.

Contribution to AUM[#]



Ticket size

upto ₹75 lakhs

[#] FY 2024-25



Backing India's Business Backbone



Risk Management

Robust risk Driving results

FY 2024-25 unfolded against the backdrop of a cautious credit environment, with the macroeconomic scenario translating into challenges across the MSME ecosystem. At NeoGrowth, we continued to exhibit resilience, underpinned by operational efficiency and sound risk management. In response to the shifting credit environment, we introduced data-driven policy refinements, strengthened our collections and recovery frameworks, and integrated technology more deeply across the credit value chain enhancing both underwriting precision and collection effectiveness.

These efforts reaffirm our enduring commitment to responsible lending and our agility in navigating macroeconomic changes without compromising portfolio quality.

As we enter a phase of sustainable growth, our focus is on maintaining a prudent risk-reward balance, deepening engagement with lower-risk MSME segments,

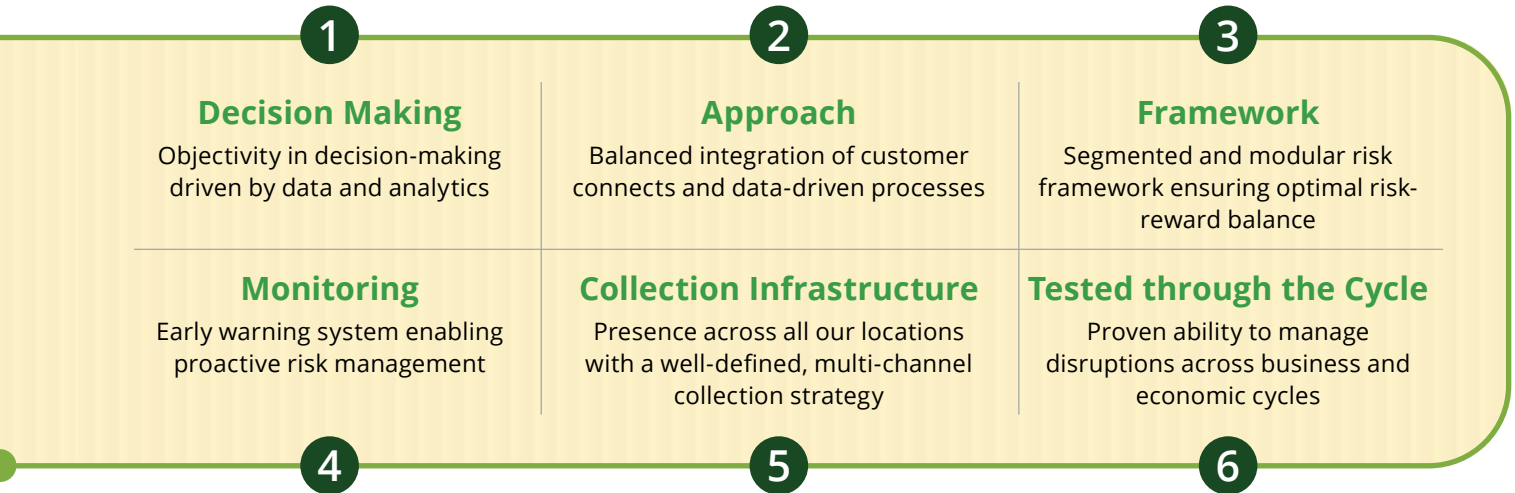
and using advanced data models and early warnings to strengthen portfolio resilience.

Comprehensive risk management framework

In FY 2024-25, we further advanced our risk management framework by enhancing both qualitative and quantitative assessment tools to stay ahead of emerging credit trends. We deepened the use of digital underwriting enabling automated data retrieval from regulatory sources and customer touchpoints, automated scorecard-based models for sharper risk

selection. Real-time portfolio monitoring powered by analytics enabled us to track performance with greater precision. We also strengthened operational safeguards by introducing dual layered approval mechanisms and more rigorous credit file reviews, reinforcing our commitment to disciplined, responsible lending.

Key pillars of NeoGrowth's risk management



Risk Management Framework



Selection Framework / Underwriting Approach

Segmented risk management approach tailored to customer profiles

Objective credit decisions enabled by proprietary scorecards

Proactive policy measures leveraging data and analytics



Portfolio Monitoring

Robust data infrastructure ensuring availability of structured data

Analytics-based models driving real-time risk insights

Scorecards for sharp risk segmentation and performance tracking



Collection Process

Digital repayment modes with multiple frequency options prioritising NeoGrowth receivables

Portfolio segmentation for targeted and high-impact collection strategies

Multi-channel customer engagement through field teams, remote connect tools, payment gateways, and legal instruments

Risk Dimensions Embedded in Scorecards

Demographics | Liquidity | Profitability | Asset Ownership | Size | Loan Structure | Leverage



Tech- and data-driven underwriting

We implemented a streamlined, technology-led underwriting approach to deliver high-quality credit decisions with minimal subjectivity. By integrating data analytics, automation, and human judgment, we augmented operational efficiency, reduced underwriting costs, and strengthened our ability to deploy credit responsibly and sustainably.

Pillars of underwriting

The underwriting process is built on four key pillars –

1

Credit Bureau History

serves as the initial filter, assessing customers based on their credit history and scores from bureaus such as TransUnion CIBIL, supported by data partners like Perfios.

2

Risk Rules and Policies

evaluate customer eligibility against our internal risk thresholds and policy parameters, with integrations from platforms, including NSDL, DigiLocker, and Sahamati.

4

Customer Conversations

are conducted for select segments to identify potential early warning signals and boost qualitative checks, adding a critical layer of human insight to the process, supported by data partners like Perfios.

3

Proprietary Scorecards

further refine eligibility and assign exposure limits through sharp, data-driven segmentation methodologies.

Non-performing assets and portfolio quality

We established robust risk management practices across our suite of products, complemented by continuous reviews for early identification of portfolio risks.

This improvement builds upon our strategic shift towards granular, secured lending and the expansion

of our Secured Plus offerings. During the year, we further tightened our underwriting processes and strengthened our post-disbursal monitoring mechanisms, resulting in enhanced credit discipline and portfolio health.



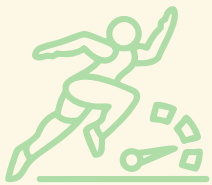
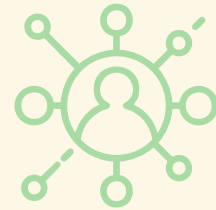
Targeted collections approach

We implement a structured, technology-driven collections strategy that is tailored to borrower behaviour using Days Past Due (DPD) segmentation. This targeted approach allows us to intervene promptly, deploy resources efficiently, and drive improved recovery outcomes, while preserving customer relationships.

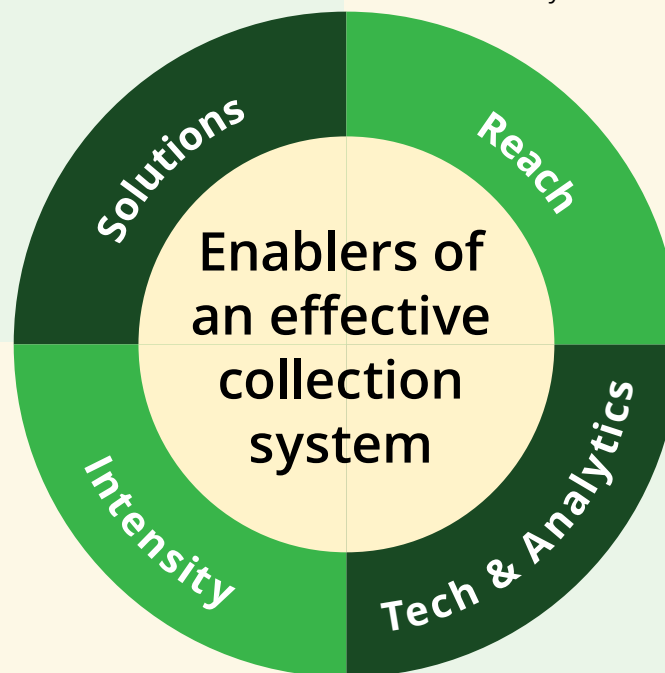
We implement a range of customer outreach programmes, targeted settlements, arbitration, and litigation, wherever required. With the increasing adoption of data and digital tools, we continue to improve both the productivity and efficacy of our collection engine.



We harness a strong collection infrastructure, encompassing a central contact centre and in-house field teams across all operational locations. Our pools are segmented using risk-based scorecards, allowing us to design targeted strategies with the right level of intensity.



We maintain multiple customer touchpoints across channels, with a proven track record in legal recoveries and litigation. This multi-layered approach helps us manage collections effectively across risk levels.



We deploy tools like 'NeoCollect' - our collection management system, and 'InstaPay' - our platform to ensure seamless repayments, to take data-backed decisions. Furthermore, we continuously monitor collection intensity and performance through daily reports and dashboards.





Fraud detection and prevention

We persist with a sound digital-first approach to fraud detection and prevention across the customer lifecycle, from sourcing to disbursement. By synergising the use of real-time data, automated tools, and multi-layered verification processes, we strategically minimise the risk of fraud and ensure portfolio integrity.

Digital checks across the lifecycle

We embed our fraud prevention framework into both Customer KYC and Credit Assessment stages. By upholding stringent checks during onboarding, we maximise identity authenticity, data accuracy, and compliance with regulatory requirements. This digital and online verification mechanism forms a critical layer of defence.

Multi-layered verification and controls

Our fraud detection framework is implemented through a combination of robust controls:



KYC Checks

We verify customer identity through NSDL PAN checks, DigiLocker KYC, electricity bill validation, and sector-specific licenses across food, labour, and medical segments, among others. Additionally, Udyam Registration is used to authenticate MSME status.



Banking Checks

We use Perfios outputs with embedded fraud triggers, and validate data through Account Aggregator frameworks for deeper financial footprint checks.



Bureau and Other Checks

We utilise CIBIL bureau reports to flag anomalies, prompting additional checks such as PAN card matching, automated field investigations, and video PD (personal discussion) initiation.



Repetitive Offender Checks

We carry out deduplication against the RBI's negative list to guard against habitual defaulters, in addition to undertaking World Check and Crime Check validations.

Forward-looking strategy

As we look to the future, we remain focused on building upon our robust strategies and strong fundamentals to outline a well-calibrated roadmap for sustainable growth:

Product Innovation:

We continue to evolve our offerings in response to market needs, customer feedback, and emerging trends. Customisation and technology-led enhancements remain central to our strategy.

Refinement of Risk Models:

We consistently validate and refine scorecard assumptions to ensure relevance in a changing economic context.

Compliance and Governance:

We uphold the highest standards of compliance and governance, ensuring that all of our growth endeavours are driven by rigorous risk controls.



Digital Ecosystem

Accelerating digital Fortifying operations

We view technology as a strategic enabler that empowers us to redefine lending, improve customer engagement, and scale intelligently. Our in-house digital tech-stack is designed for adaptability, allowing seamless integration with the wider financial ecosystem. This future-ready infrastructure equips us to stay ahead of industry shifts, deliver cutting-edge innovation, and respond to customer and business needs with speed, precision, and foresight.

Every layer of our tech stack is designed to drive efficiency, resilience, and continuous innovation. Intelligent applications and platforms spanning onboarding, collections, and partner enablement are implemented to maintain frictionless coordination across the value chain.

Harnessing in-house technology for strategic edge

We leverage our **integrated technology architecture** to effectively control time-sensitive processes. Moreover, it empowers us to respond swiftly to market shifts, unlock efficiencies, deliver tangible outcomes, and shape the future of digital lending on our terms.

In-House Architecture

We have developed a robust in-house architecture encompassing –

- In-house Loan Origination System & Loan Management System
- In-house CRM
- Complete In-house Onboarding
- Partner Platforms

Enabling strategic advantages like

Key
Digital
Assets
In-house

Code
Ownership

In-house
Resources &
Skillset

NeoGrowth's digital ecosystem

We have structured our delivery model to strike the right balance between agility and operational flexibility. By adopting an agile methodology, we enable rapid iteration, continuous improvement, and faster rollouts.

Delivery efficiency at core

Our ownership model translates into four core delivery advantages –

Low TAT from ideation to execution

Fast product launches and upgrades

On-demand customisation and external integrations

Seamless connections to India Stack, Perfios, among others

Scalable and future-ready infrastructure

AS 2.0, collection platform built for scale

Ease of future enhancements

Enhancements to inhouse apps like Sales App and Customer App

Customer Engagement

- Customer App and Portal
- Omni-channel Platform

Collections

NeoCollect - Collection Platform

- Collection Management
- Auto Allocation
- Data-driven Intelligent Process

Digital Repayments

- Daily Repayment Capabilities
- Push and Pull Payments setup
- Billdesk PG
- InstaPay
- NEFT Virtual Account

Channel Management

Younite Portal

- Platforms for Sourcing Channel Management

Core Systems

Advance Suite and PLMS

- Application Processing
- Credit decisioning & Underwriting
- Finance Processing & Disbursals

Data Management

Reportal

- Customised Analytical Reports
- BAU Reports

Data Warehouse

- Organised Data in Data-marts
- Input for Advanced Analytics

Onboarding

Sales App

- Sales Process Automation

Digital Journey with Video PD

- End-to-end Digital Onboarding
- Video PD for Enhanced Customer Selection

CRM

- In-house CRM with Lead Management and 360-degree Customer View
- Deeply Integrated Call Centre for Onboarding Assistance

Integrations

- **Digital identity**
Integrated E-Aadhaar, DigiLocker and Digio for Seamless e-KYC and e-sign
- **Digital payments**
Leveraged UPI data for Flow-based Lending and Automated Credit Assessment
- **Data**
Integrated Account Aggregator and Bureaus for Secure Financial Data Access

Involvement of data science across key points of the value chain

Our tech stack is built on a strong and **flexible architecture** that supports **easy scaling** and works independently of specific platforms. By combining trusted and modern technologies, it enables **smooth integration with third-party systems**. The platform is highly customisable across products, workflows, and scorecards, making it easy to adapt to changing business needs while maintaining **operational efficiency**.

Sourcing

- Omni-channel customer touchpoints
- Digital and assisted onboarding journey through Sales App & Insta Journey
- 'Younite' channel platform with digitised lead referral
- Seamless data pull through Account Aggregator, eKYC, GST, CIBIL

Underwriting

- Advance Suite - Agile in-house loan management platform
- Automated banking analysis
- Auto approval of loans through Scorecards for underwriting
- Personal discussion through video interface for enhanced evaluation

Customer Service

- Daily repayment capabilities, multiple modes of repayment
- CRM platform for lead management & customer service
- 360-degree customer experience through web and app
- Marketing automation for personalised engagement

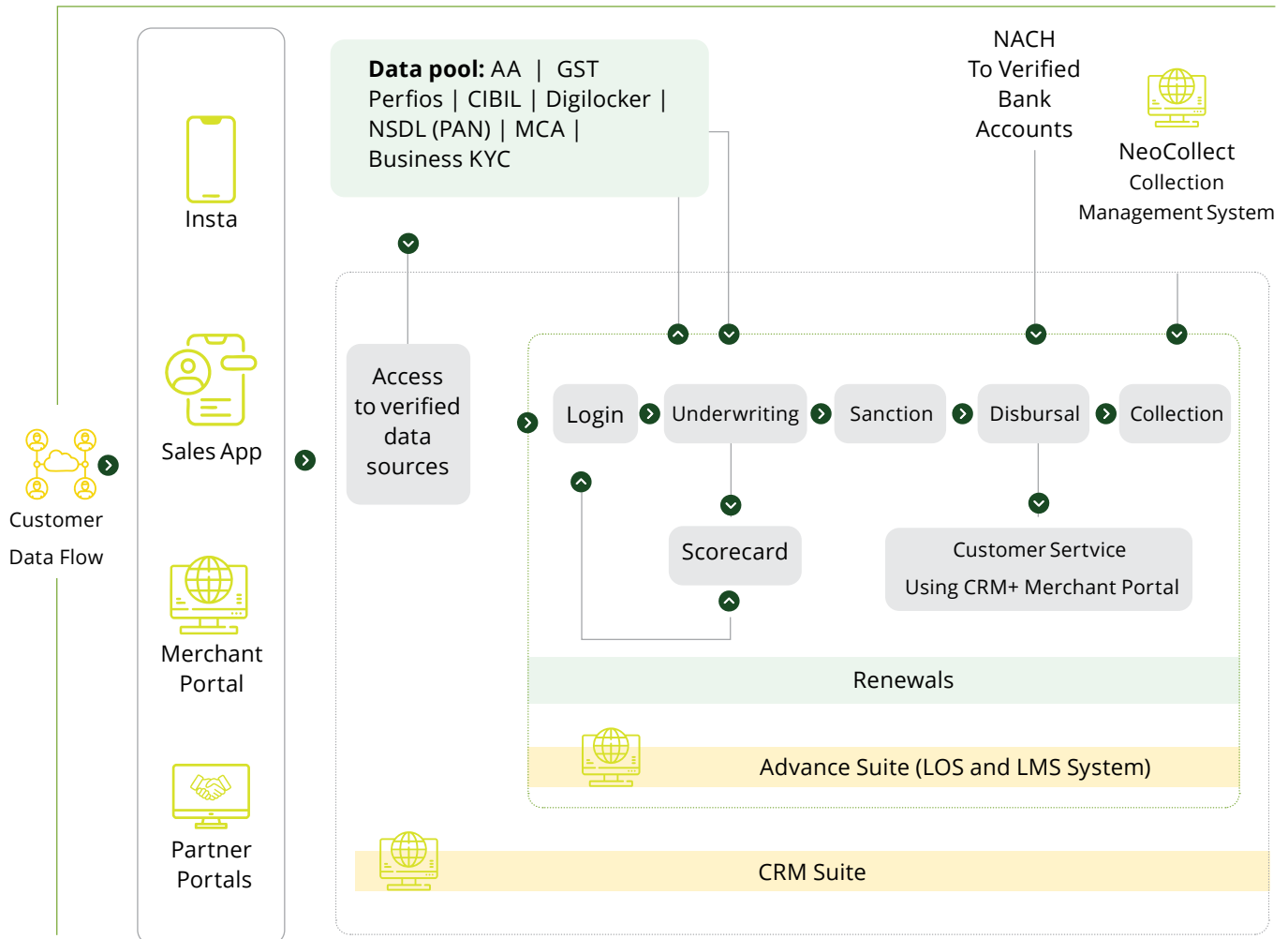
Portfolio Management

- NeoDash - Customised analytical & business reports for decisioning
- Portfolio monitoring & Early Warning Signs Framework
- Supervised machine learning
- Smart DataMarts and advanced analytics

Collections

- Efficiency through intensity/ capacity management
- Single click repayment capabilities
- Daily monitoring, dashboards and PTP Funnels
- Collections field force digitisation
- Daily repayment capabilities enabled with push and pull setup and multiple digital repayment modes
- Auto-reconcillation and payments
- Digital trails and geotagging
- Digital collections

Integrated customer journey: From Onboarding to Collections



Data Warehouse: AWS Redshift used as DWH Solution | Pentaho-ETL tool for data transfer | Automation using Python Scripts | Data Mapping | Data Dictionary | Data Management using New Age Tools & Techniques

Key Integrations



We integrate E-Aadhaar (DigiLocker) and Digio into the customer journey to enable seamless e-KYC and e-signing of documents.

Digital identity



We utilise UPI-based digital payment data of businesses to enable flow-based lending and automated credit assessment.

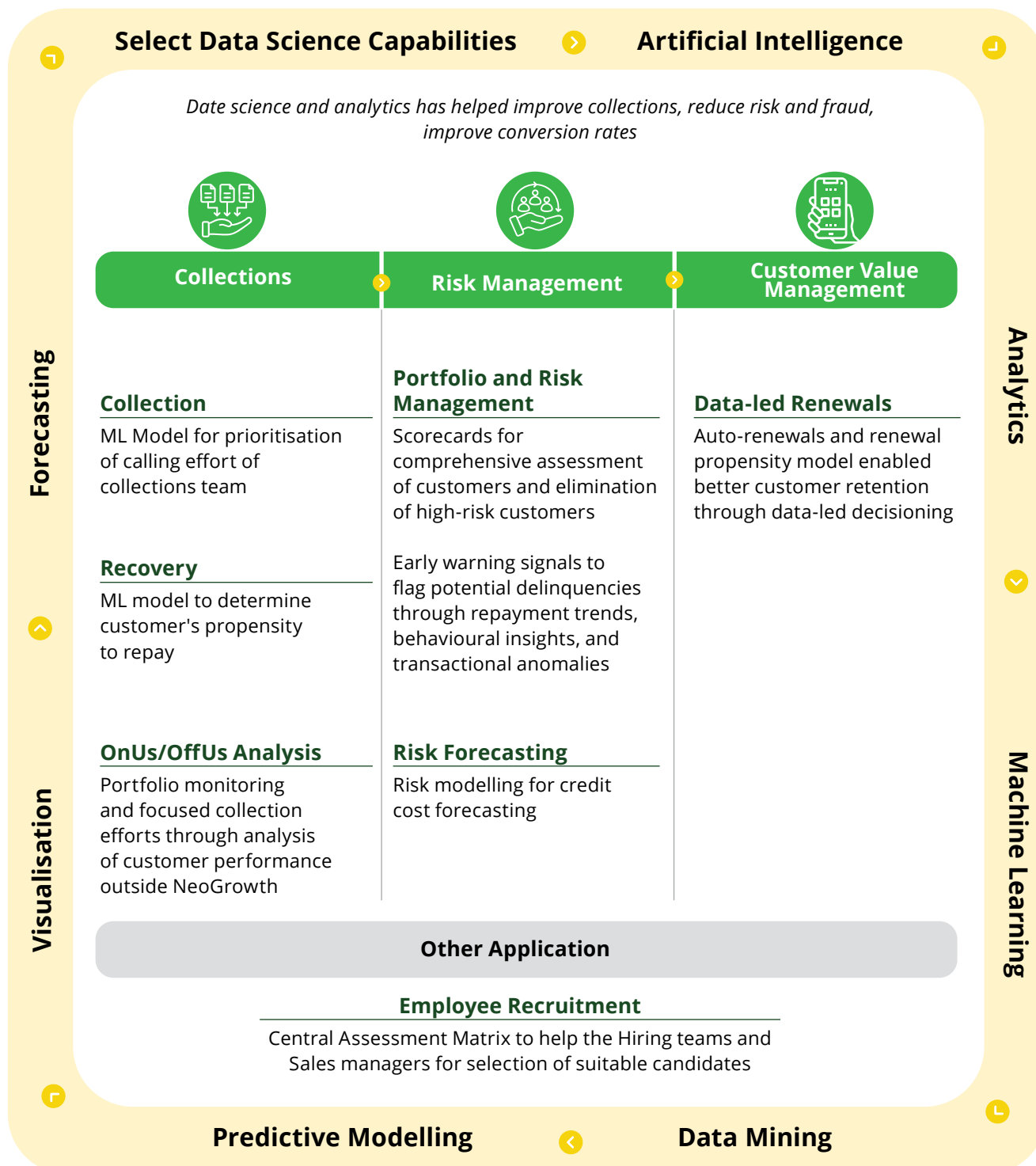
Digital payments



We integrate with platforms such as Sahamati, TransUnion CIBIL, and Perfios to enable seamless access to authentic financial data, in addition to being one of the early adopters of the Account Aggregator framework.

Data

Involvement of data science across the key points of the value chain

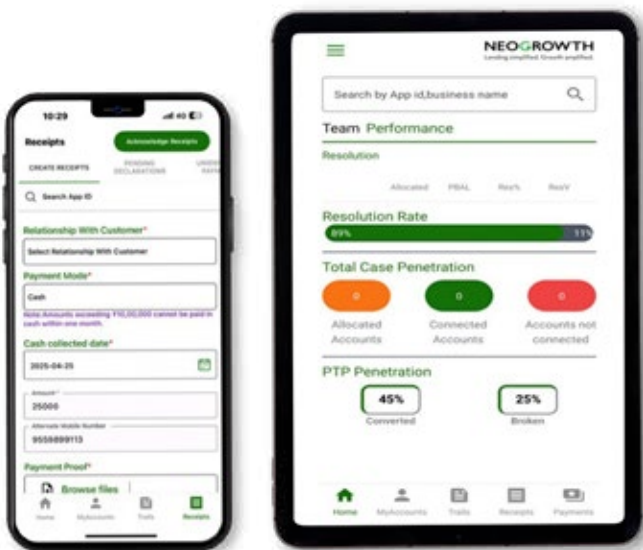


NeoCollect

In-house Collections App

In the rapidly evolving world of digital lending, efficient collections are the backbone of Non-Banking Financial Companies (NBFCs) and fintechs. Recognising the unique challenges of collections in the MSME lending space, we have developed **NeoCollect** an innovative, in-house collections app that is not only streamlining collections operations but also empowering smarter business decisions through actionable insights.

NEOC[₹]LLECT



Key capabilities

1

Secure, verified repayments

Enables secure, verified repayments, reducing risks associated with manual receipt handling and duplication errors.

2

Geo-tagged visits

Every field visit is geo-tagged, improving the reliability and authenticity of customer interactions.

3

Real-time dashboards & performance metrics

Supervisors and agents gain access to live dashboards, allowing for real-time tracking of resolution rates, payment promises (PTPs), and overall collections performance.

4

Process automation

Automation of allocation, reconciliation, and reporting minimises manual errors, enhances compliance, and boosts operational transparency.

5

Customer-centric features

Customers receive timely nudges, reminders, and digital receipts, improving communication reach and building trust.

NeoGrowth Customer App

We developed our NeoGrowth App for customers as a unified, self-service platform to **empower borrowers with greater control and convenience**. Designed for speed and simplicity, it provides a consolidated view of all active loans, facilitates instant renewals, and offers access to downloadable loan documents and detailed payment history. With multiple payment options, including UPI, and built-in query resolution features, the app eliminates the need for manual intervention. This seamless digital interface has significantly improved customer experience, simplified processes, and strengthened engagement.

~15,600

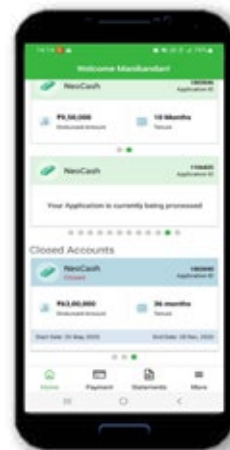
App installs

~35%

Reduction in customer service queries

10,000+

Active users



**Mr. Abhijeet,
Krishna Collection**



"The app is extremely user-friendly and intuitive. I can access all my loan details directly on the app without needing to call customer service or rely on a salesperson. Everything I need is right there, saving me time and effort."

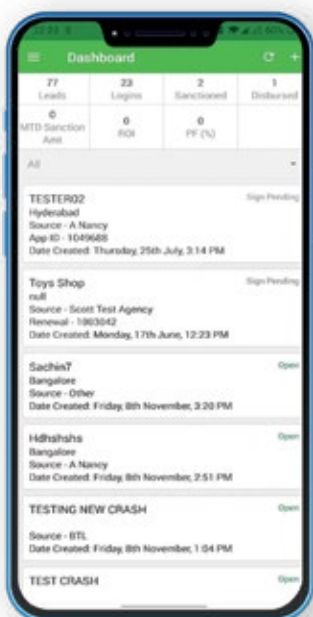


**Mr. Ravi Singh,
Sagardeep Supermarket**



"Finding my loan documents, checking loan status, and downloading statements has become really simple with the app. It's easy to navigate, and all the information I need is clearly visible and readily available."

Sales App



We engineered our Sales App to simplify and digitalise the customer onboarding journey through end-to-end automation and **seamless integration with our broader ecosystem**.

Field teams can digitally file application forms and upload required documents directly at the source to onboard customers. With **real-time visit and activity tracking**, the app maintains transparency and accountability across the sales process.

In addition, it features an intuitive dashboard to **monitor application status**, helping sales personnel manage leads efficiently and reduce turnaround times.

By transforming onboarding into a fully digital experience, the app **boosts productivity, ensures data accuracy, and delivers a faster, smoother experience** for both teams and customers.

Insta Digital Journey

Simplified Eligibility Process

- Encompasses a user-friendly 3-step journey
- Captures 70 essential input fields for accurate pre-screening

Seamless Digital Verification

- End-to-end digitisation using Account Aggregator for banking data
- Customer identification via DigiLocker and CKYC integration

Enhanced Credit Assessment

- World Check and Field Credit Unit (FCU) checks
- UIDAI-based e-sign for authentication
- Video PD for in-depth assessment and faster turnaround

Intelligent Decisioning & Adoption

- System auto-identifies ~40% rejections, saving 30-60 minutes per application
- ~95% of Insta and Express disbursals now occur through this digital journey

Faster Turnaround Time

- End-to-end application submission in under 5 minutes
- Instant data validation and decision triggers

Integrated Digital Infrastructure

- Real-time integration with credit bureaus
- E-NACH setup for automated repayment processes

Insta digital journey has significantly reduced TAT, improved data precision, whilst making the process easy to use for customers

₹1,150 Cr

Total loan amount disbursed through Insta Digital Journey

~54,000

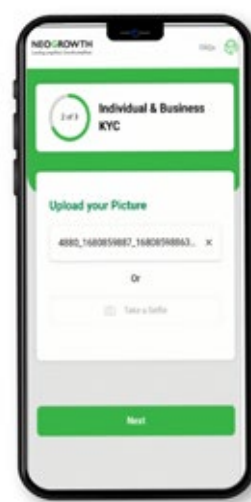
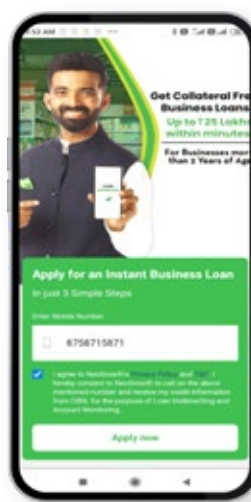
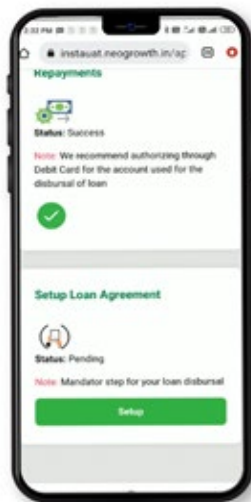
Leads generated

96%

FTR (First Time Right)
Customers who completed the digital journey in one go

95%

Reduction in paper consumption



Data protection and IT governance

Policies and SOPs

We have established a strong foundation in data security through well-defined policies and standard operating procedures.

These include –

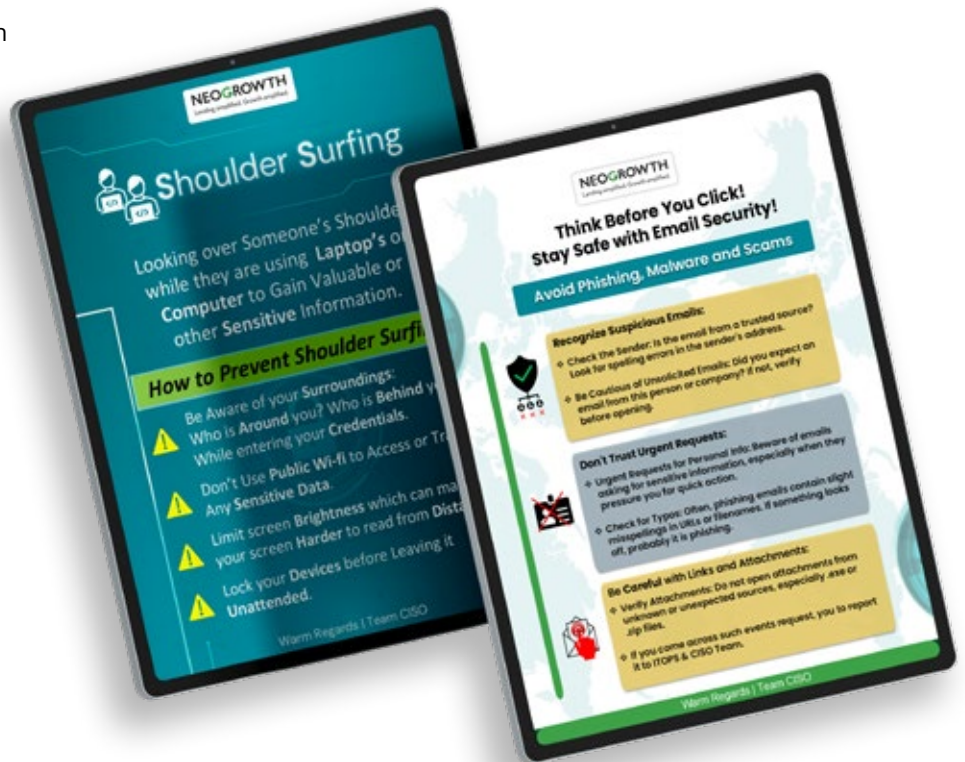
- Information Security Policy
- Information Classification and Labelling
- Access Control Policy and Procedure
- Backup and Recovery Policy and Procedure
- IT Outsourcing Policy and Procedure

Controls to Protect Data with External Partners

We enforce measures to secure data shared with third parties.

These include –

- Non-Disclosure Agreements (NDAs) and legal contracts with all external vendors
- Periodic audits in accordance with IT outsourcing guidelines



Internal Controls

We maintain a layered security environment through a range of comprehensive safeguards.

These include –

- Role-based access controls
- Periodic user access reviews and audits
- Data Loss Prevention (DLP) tools
- Encryption of data at rest and in transit
- Firewalls to restrict unauthorised external access

Regulatory Compliance

We ensure that all IT governance practices are aligned with applicable laws and industry frameworks. These include –

- Master Directions - Information Technology Framework for NBFCs
- IT Act, 2000
- Master Directions on Outsourcing of IT Services

Cybersecurity framework

We have adopted the National Institute of Standards and Technology (NIST) cybersecurity framework to systematically manage and mitigate cyber risks. This framework organises our information security strategy into five key functions - Identify, Protect, Detect, Respond, and Recover - ensuring a holistic approach to threat management and operational resilience.



This integrated and proactive cybersecurity approach allows us to safeguard our digital infrastructure, protect stakeholder data, and maintain business continuity amidst an ever-evolving threat landscape.

People

Powered by people Focused on efficiency

At NeoGrowth, we believe our people are the foundation of long-term strength and stability. Amidst a dynamic business landscape, we remained focused on building a culture rooted in continuous learning, inclusion, and consistent care. Through structured programmes, everyday gestures, and tech-enabled platforms, we supported our employees with experiences that are purposeful, engaging, and aligned with organisational priorities.

The NeoGrowth Engagement Framework

To bring consistency and intent to our people practices, we follow a structured seven-pillar model of engagement. Each pillar addresses a core dimension of employee experience ensuring that every initiative is purposeful, relevant, and enduring. Over 50 initiatives were delivered under **our 7-pillar engagement model**.



7 Pillar Engagement Model

NeoBenefit

We provide thoughtfully designed benefits that support employees at every life stage. From extended leave policies and flexible financial tools like VPF and NPS, to curated tie-ups for healthcare and childcare, Neo Benefit ensures well-rounded support that goes beyond the basics.

NeoCelebrate

We honour moments big and small from birthdays and work anniversaries to national festivals and personal milestones. Through Fun Fridays, Thank You Day, and thoughtful gifting, Neo Celebrate brings joy and togetherness into the workplace.

NeoLearn

Our integrated learning ecosystem, NeoLearn, offers structured pathways across behavioural, functional, and compliance areas. Through platforms like Swadhyay and initiatives like Catapult, Sankalp, and Saksham, we invest in continuous capability-building.

NeoConnect

Fostering transparent and two-way communication, Neo Connect includes initiatives like Samvaad and 4-3-2 Connects that keep employees informed, involved, and aligned. These platforms build bridges between teams, branches, and leadership.

NeoRecognize

Recognition is embedded in our culture through programmes such as Spot Awards, Culture Badge, Wall of Fame, and Employee of the Month. These initiatives ensure that everyday excellence is seen, appreciated, and celebrated.

NeoCare

Supporting holistic well-being, NeoCare delivers expert-led health sessions, flexible work models, and wellness drives. Whether it's International Yoga Day or our Fit n Fab Challenge, we empower employees to prioritise self-care and balance.

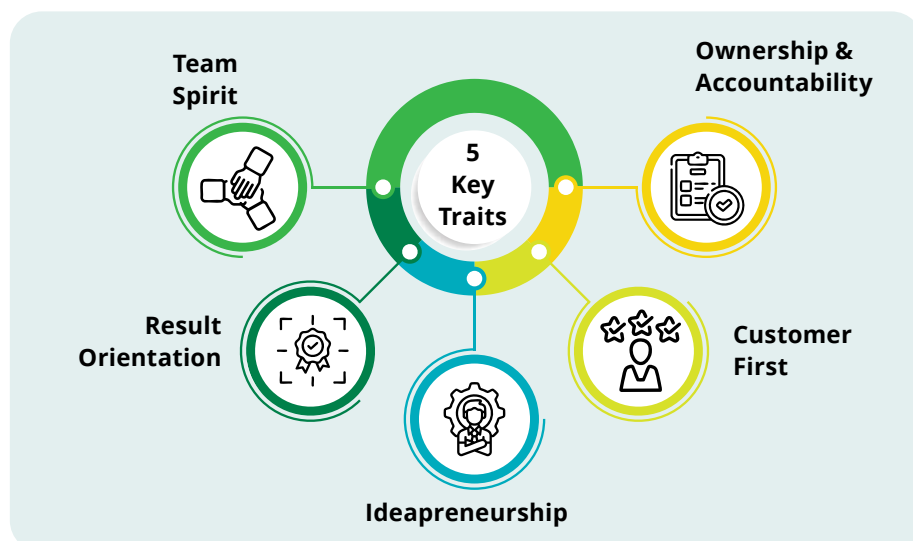
NeoLearn

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Living our values through culture and recognition

We continued to nurture a people-centric culture by celebrating behaviours that reflect our core values. The Culture Badge programme empowers leaders at the Senior Manager level and above to recognise employees who exemplify our five key traits.

These badges serve as daily reminders of the values that guide us promoting visible role models and strengthening alignment across teams.



Building a workplace for all

We foster an environment that values diversity in thought, experience, and background. Our gender diversity remains above industry benchmarks, driven by policies and practices such as –

1. Second Career Programme

Supports women returning to the workforce after personal or maternity breaks through inclusive hiring and role-readiness enablement.

2. Extended Maternity Leave

Offers an additional 3-month work-from-home option beyond statutory leave, enabling a smoother transition post-maternity.

3. Pink Day

Allows women employees one work-from-home day per month to better manage personal or health-related responsibilities.

4. WoW (World of Women)

A dedicated platform for women employees to share experiences, receive inspiration, and engage in knowledge-sharing content.

5. Mandatory PoSH Training

Ensures all employees undergo training on workplace safety, reinforcing our zero-tolerance stance on harassment and misconduct.

Creating everyday moments of engagement

We believe that collaboration is shaped by meaningful connection. Initiatives like Samvaad ensure branch-level HR engagement, while Abhiruchi hobby groups help colleagues bond beyond the workplace. Pustak-Kosh, an innovative employee-led library, cultivates the culture of shared learning, while Gyandhara sessions create space for holistic well-being.

Our engaging endeavours are spanned across the year, as we celebrate festivals of all faiths, plant trees to mark employee birthdays, and even extend birthday greetings to family members.

Events like Thank You Day, Fun Fridays, and Work Anniversary flags are conceptualised to infuse a sense of harmony, gratitude, and belonging among our employees.

Learning that keeps us future-ready

Through NeoLearn, our integrated learning platform, employees accessed over 22 online modules and averaged 45 hours of training.

1. Prarambh (Corporate Induction)

A structured induction programme introducing new joiners to NeoGrowth's culture, values, policies, and organisational ethos. We also introduced gamified and movie-based sessions, with access available via classroom, portal (Swadhyay), and mobile app making learning continuous and accessible.

2. Gurukul (Functional Onboarding)

Provides new employees with in-depth product and process knowledge tailored to their functional role for faster productivity.

Programme Design

Month 1 – Covers product offerings, customer profiling, processes, and incentive structures to build early role clarity and performance alignment.

Month 2 – Focuses on practical skills such as objection handling, rapport-building, and resolving customer queries confidently.

Learning Approach

Gamified elements like quizzes, simulations, and competitive challenges sustain learner interest and participation

Real-world role plays bring scenarios to life, bridging the gap between theory and field application

The Gurukul experience fosters confident, well-prepared employees who are better equipped to connect with customers and contribute meaningfully from the outset.



3. Catapult (Campus Recruitment Programme)

A flagship programme grooming young professionals from top Engineering and B-school campuses across India for leadership roles across key business functions.

The programme is built on five core pillars –

1

Onboarding & Cultural Integration

Induction through Prarambh, values alignment, and leadership connect

2

Functional Immersion

Hands-on exposure to credit, risk, collections, product, finance, and digital

3

Leadership Learning

CXO interactions, movie-based insights, and values-driven workshops

4

Experiential Engagement

Quizzes, case studies, treasure hunts, and peer simulations

5

Knowledge Reinforcement

Module certifications via LeMS and continuous assessment

Strengthening onboarding through personalised Support

At NeoGrowth, we ensure that new joiners feel welcomed, informed, and connected from the start. Two structured initiatives **NeoBuddy** and **HR Mitra** play a key role in creating a smooth onboarding experience.

NeoBuddy Programme

Each new hire is paired with a designated **NeoBuddy** during the pre-joining phase, ensuring introductions are made on Day One. The Buddy supports the new employee in navigating systems, processes, and workplace culture helping them settle in with confidence and connection.

HR Mitra

Since 2017, the **HR Mitra** initiative has provided candidates with a dedicated HR touchpoint during the pre-joining period. The Mitra engages weekly, answers queries, shares festive greetings, and ensures a smooth, personalised transition into the organisation.



Rewarding excellence

We place recognition at the core of our performance culture, ensuring that achievements are celebrated and valued. Spot Awards enable leaders to promptly acknowledge outstanding achievements, while Wall of Fame honours top-performing field executives at every location. Our Employee of the Month programme highlights exceptional contributions across the organisation, while the Most valuable player Award recognises standout performers at the mid-management level. These concerted initiatives continuously motivate our teams and inspire us to propel forward a performance-driven and appreciative culture.

Well-being and balance at work

We promote the holistic well-being of our employees through a well-structured framework of initiatives. Focused programmes, like NeoCare and Gyandhara bring expert-led sessions on health and stress management. To further support well-being, we offer flexible work arrangements and hybrid models, promoting a balanced approach to work. By celebrating occasions, such as International Yoga Day,

we emphasise the importance of physical wellness. Our Neo Benefit platform goes beyond traditional policies, providing extended leaves, wellness tie-ups, financial planning tools, and customised insurance coverage for employees and families. These benefits are designed to support every aspect of an employee's life, both at work and beyond.



Digitally enabled HR ecosystem

We integrate technology into every HR touchpoint to make processes efficient, intuitive, and scalable. Our HRMS platform, Adrenalin, powers the complete employee lifecycle - from onboarding to exit. We deploy several tools, including LeMS

and HireSmart to seamlessly converge learning, hiring, and communication mechanisms. These systems enhance the tech-forward nature of our HR operations and align them completely with our people strategy.



Listening and evolving

As part of our continued commitment to nurturing a positive and responsive work environment, we conducted the annual **Employee Satisfaction (ESAT) Survey** with a survey agency. The exercise was designed to capture authentic employee sentiment and surface actionable insights to further strengthen our engagement practices and workplace culture.

The survey framework was built around three core components:

Net Promoter Score (NPS)

Gauging the likelihood of employees recommending NeoGrowth as a workplace

Engagement Index

Measuring emotional and behavioural connection to the organisation

Employee Experience Ratings

Evaluating perceptions across key workplace dimensions

Participation reflected the openness of our workforce to share honest feedback. This underscores our ongoing focus on creating a workplace that listens and learns.

Employee verbatims



NeoGrowth Employee



"NeoGrowth is a very agile organisation and keeps responding to external scenarios with prompt decisions and actions. This is a very good approach to ensure that challenges or opportunities are handled with speed"



NeoGrowth Employee



*"We have **best in class employee policies** and cover most of the aspect of reward, recognition and benefits"*

Brand NeoGrowth

Unified brand Powerful impression

Our Marketing approach is designed to align every touchpoint with our core
Lending Simplified. Growth Amplified.

Built on four interconnected pillars, the framework ensures we consistently deliver powerful, meaningful, and relevant experiences for all stakeholders. Together, these elements create a cohesive, purpose-driven brand experience that fuels continuous innovation and sustainable growth.



Grounded in **four interconnected pillars**, our marketing approach enables us to consistently deliver purposeful, high-impact experiences that resonate across audiences.

We focus on elevating brand visibility and recognition to bolster our market presence. We also foster a culture of brand advocacy by empowering employees to live our values.

We stay committed to design customer-centric experiences that mirror our commitment to simplicity and agility, while also positioning NeoGrowth as a **thought leader** in the **evolving MSME space**.





Brand building and visibility

Brand NeoGrowth

Lending Simplified. Growth Amplified is central to our brand proposition, embodying our promise to make finance more accessible, relevant, and impactful for every MSME we serve. This philosophy is brought to life through four foundational brand constructs



Innovation in Technology



Innovation in Business



Strong Core Values



Customer-First Thinking

Together, these elements shape a brand experience that is credible, consistent, and aligned with the evolving needs of MSMEs.

Our Brand Ambassador

We continue to strengthen our brand identity through our association with Ajinkya Rahane. His resilience, consistency, and humility closely **align with our mission to empower MSMEs** a sector that stands out for its perseverance, agility, and focus. His involvement in campaigns has forged stronger connections with both internal teams and external stakeholders, reinforcing trust and deep engagement with the brand.

Product Marketing

We design our product marketing approach to create excitement and drive action. By **engaging employees and Younite Partners** through targeted on-ground activations, we foster internal advocacy and deeper connection with our offerings. In parallel, our digital campaigns effectively communicate product features and **benefits to customers in a clear and impactful way**. With each product, we prioritise strong, distinctive qualities that set us apart, ensuring relevance, recall, and adoption at every touchpoint.



20,000+

Website visits
per month

40,000+

Website page views
per month

Digital Outreach

1 Lakh+

Followers across
social media platforms

51 Lakh+

Digital impressions
per month



Internal advocacy and ecosystem engagement

A new chapter, a new space

We took a significant step forward with the opening of our new corporate office at Times Square, Mumbai. This contemporary, collaborative workplace is designed to reflect our culture of innovation and simplicity. Designed to enhance cross-functional synergy, it stands as a dynamic hub for driving future-ready strategies and growth. With its cutting-edge aesthetics and visual identity, the space reflects our commitment to progress, creativity, and purpose.



Employee- centric design

Curated to promote open communication, collaboration, and creativity in sync with our people-first culture. Designed every corner to uplift mood and spark fresh ideas.

A space that reflects who we are

Our mission, core values, and tagline proudly across the workspace.



Productivity enabler

Integrated quiet corners, discussion rooms, breakout zones, and collaborative hubs to support diverse work styles and enhance focus.



Our customers, our pride

Embedded visual storytelling across the office reminding us that every decision begins and ends with our customers.



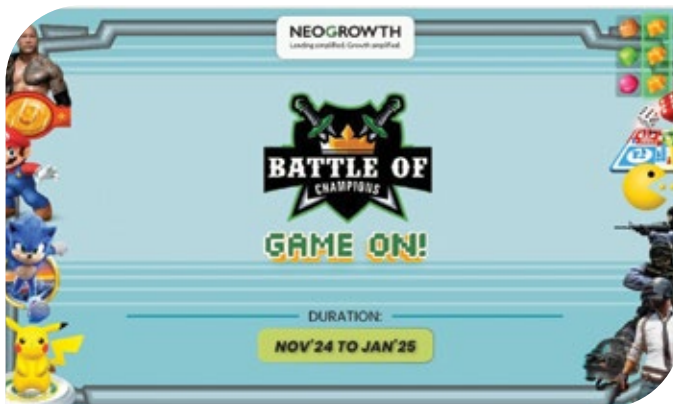
Our journey of recognition

A display corner to celebrate our milestones, the impact they create, the trust we have built, and the innovation we continue to drive.



Battle of Champions

We believe in celebrating high performance with unmatched energy. Our annual felicitation ceremony, **Battle of Champions**, is conceptualised to honour the passion, resilience, and results delivered by our Sales and Credit teams. With the spirited theme 'Game On', we used **gamification to ensure maximum engagement**, featuring childhood characters that our employees grew up with. This event is much more than just a recognition of targets met, it's a celebration of the grit, strategy, and teamwork that power every win on the ground.



100+
Awards

500+
Lives touched

40+
Award categories



Partner Engagement

We foster collaboration year-round by actively engaging and energising our partners. In FY 2024-25, we recognised 400+ Yunité Partners Pan India. Through targeted activations, city connects, and relationship-building initiatives, we make consistent effort in **strengthening ties, enhancing trust, and driving on-ground performance**. Our partner-first approach turns every interaction into an opportunity for shared growth.

400+

Yunité Partners Engaged





Customer centricity

Customer research

We cultivate stronger connections with our customers through regular interviews and on-ground interactions that provide us with an authentic understanding of their experience. These insightful conversations offer valuable real-world perspectives that guide the evolution of our products and services. By translating this feedback into actionable improvements across the business, we maintain the relevance, responsiveness, and adaptability of our products.

7

Researches

100+

Customers connected



Thought leadership

We base our media outreach on a thorough understanding of the MSME landscape, fintech trends, and the shifting digital lending ecosystem. Leveraging proprietary research and first-hand insights, we uncover emerging patterns, challenges, and opportunities that small businesses face. By combining data-backed storytelling with sector-specific narratives, we share perspectives that resonate with stakeholders and further solidify our thought leadership. Our strategic, proactive, and holistic communications approach ensures that our media presence remains valuable, relevant, and impactful.

Key Pillars of Communications



Deep and meaningful insights on MSME sector

- Neolnsights
- Analyst relations



Success metrics and enablers of positive impact

- Business performance
- ESG & CSR



Meeting and engaging with stakeholders

- Large-scale events
- Curated content
- Industry events

NeoInsights

NeoGrowth has built strong connections with small businesses across India, empowering over 1,50,000 MSMEs from more than 70 segments nationwide. This extensive footprint has enabled us to build a comprehensive data repository, with insights that have been instrumental in shaping a more inclusive and effective credit ecosystem.

Through our NeoInsights platform, we tap into in-house expertise to identify emerging patterns and compelling trends within the MSME landscape of the nation. These findings are shared in diverse formats, sparking fresh ideas. To date, eight insightful reports have been published under the NeoInsights banner.

85k+
MSMEs analysed

25+
Cities covered

11+
Industry segments

MSME Insight Report 2022



Festive MSME Credit Demand Trends 2022



8 Reports Launched

MSME Business Confidence Study 2023



Decoding Digital Payments-2023



Click & Mortar 2023



MSME Business Confidence Study 2024



Unlocking Generational Preferences among Indian Retailers 2024



The Entrepreneurial Spirit of Women Business Owners in India 2025



The 7th edition of the NeoInsights Report, titled 'Unlocking Generational Preferences among Indian Retailers'



Attitude towards Business

92%

Of MSMEs eye expansion to propel business growth

Style of Running a Business

90%

Of the MSMEs prefer having a physical store either standalone or hybrid along with online selling

Belief in Indian Business Landscape

76%

Of MSMEs say that India has a pro-MSME landscape supported by various government schemes and initiatives which act as a growth catalyst for their business

Funding Dynamics

60%

Of young MSME owners actively check their CIBIL score and have a higher bureau awareness

The 8th edition of the NeoInsights Report, titled 'The Entrepreneurial Spirit of Women Business Owners in India'



Entrepreneurial Mindset of Women Business Owners in India

70%

Of women business owners start businesses based on self-motivation and aspiration

Support Systems for Women Business Owners in India

93%

Of women entrepreneurs demonstrate keen financial awareness and discipline

Social and Cultural Impact of Women Business Owners

98%

Of women have positively impacted families, personal lives and the larger ecosystem by virtue of their businesses

Current Challenges & Social and Cultural Impact of Women Business Owners Future Aspirations

90%

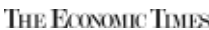
Of women business owners are adopting technology for future business growth

Coverage for NeoInsights

127.5 million
Impressions

40+
Media publications

Across National and Vernacular Publications

Amplifying our voice on prominent platforms

Our MD & CEO, **Mr. Arun Nayyar**, shared his insights at the **ET BFSI Converge Summit 2024** on the theme '*Fintechs: Defining Their Position in the NextGen Economy*'. He spoke about the strategic steps NeoGrowth is taking to build a resilient and sustainable business - anchored in first principles - that thrives on stability, even amidst uncertainty.



Our CPO, **Mr. Amol Mohan Deherkar**, spoke at a women-centric knowledge session organised by **TU CIBIL & DLAI** on '*Fintech's Role in Enabling Credit for Women*'. He also presented insights from the 8th edition of NeoGrowth's latest NeoInsights report titled '*The Entrepreneurial Spirit of Women Business Owners of India*', underscoring the vital role of accessible credit in empowering women entrepreneurs.



Our CBO, **Mr. Manmeet Singh Sawhney**, contributed to the discussion on '*Innovative Financial Products for the Underserved*' at **Prabhav 2024**, hosted by the **Impact Investor Council (IIC)**. He highlighted NeoGrowth's commitment to bridge the credit gap for underserved businesses, aligning with IIC's mission to strengthen the impact investing ecosystem in India.



Our CTO, **Mr. Vikas Dhankar**, brought forward his perspective on '*The Digital Continuum*' at the **Finnoviti & Technoviti Conclave and Awards 2024**, hosted by **Banking Frontiers**. He shed light on the rapidly evolving digital landscape and emphasised how technology continues to be a powerful enabler of inclusive finance.

NeoGrowth in News



THE IMPORTANCE OF DATA IN THE EVOLUTION OF LENDING TO SMALL BUSINESSES

Technology coupled with access to data, has enabled rapid transformation in small businesses and industries. In line with this shift, today small businesses need access to timely credit to thrive and technology has an important role to play in enabling this.

With the advent of ever-up digital tools, small business owners in India can now receive loans in as little as 7 days—a sharp contrast to traditional loan processing time. The availability of various types of digital transaction data for businesses has significantly reduced the time it takes to assess funds, making borrowing faster and more efficient.

Traditionally, small businesses had to visit the branches from two weeks to a month to avail a loan as the processes were quite lengthy. Today, the lending landscape is being revolutionized with the integration of multiple and enhanced digital lending channels. These channels use digital transaction data and information from ecosystem entities such as Digital Locker and the Account Aggregator framework, drastically reducing the time taken to the loan approval process significantly.

Competitors are also increasingly adopting



ARUN KUMAR NAYYAR
MD & CEO
NeoGrowth Credit Pvt Ltd

hybrid models. In such cases, digital scores with are combined with physical checks and manual intervention to ensure a thorough risk assessment. This blend of automation and human oversight enables lenders to maintain a robust evaluation process.

With these evolving practices, what were once

7 days. The pace and speed with which small businesses can now access credit are not only empowering entrepreneurs but also redefining the financial ecosystem by making capital more accessible.

Today, data and technology have been very important foundations of digital lending. Technology-led lending processes, built on various types of customer data, have significantly expedited loan disbursement for micro, small and medium enterprises (MSMEs).

The combination of data and advanced technology has not only moved lending to MSMEs but also improved access to credit. The network of digital payment transactions from MSMEs helps lenders better understand their financial health and assess creditworthiness. Such data-enabled assessments are playing an important role in financial inclusion by extending loans to underserved segments.

Digital Lending

The digital ecosystem has enabled growth in many years. India is witnessing such as Account Aggregators, Digital Locker, eKYC and GST portal. These tools are not only reducing the time taken to process loans but also ensuring that

BRAND EQUITY.com

Physical stores are preferred by 90% Indian Retailers across generations: Study

A NeoGrowth study reveals most Indian retailers favor physical stores. Retailers are using digital tools and government programs to boost growth. Customer satisfaction and financial success are key goals. Retailers and enhanced storefronts attract customers. Retailers plan to expand product offerings and explore new markets. India's business environment is diverse and growing.



businessline.

Women entrepreneurs are a force multiplier for India's progress: NeoGrowth

98 per cent of women business owners use a positive shift in respect and societal acceptance because of their business ventures.



Arun Nayyar, Managing Director & Chief Executive Officer, NeoGrowth

Arun is a seasoned finance professional with more than 20 years of diversified experience in commercial and consumer lending. A Chartered Accountant, Arun has a successful track record of building businesses from scratch, scaling up established businesses and managing stressed portfolios.

A passionate financial services industry professional, Arun has a great understanding of key business drivers, risk and product management, market and digital lending. He spearheaded businesses across Micro Enterprises lending, SME Lending and Consumer Finance.

Arun was earlier with Edelweiss where he was heading the SME Lending business of the group. Prior to Edelweiss, Arun held several key positions across Business Development and Asset Management with Citibank India. Arun also worked with credit rating firm CIBIL, early in his career.

About NeoGrowth

NeoGrowth is a new-age lender, with a focus on Micro, Small and Medium Enterprises (MSMEs). It is a systematically important, bank-disrupting firm, offering a wide range of products tailored to the dynamic needs of small businesses. Its data science and technology-led approach enable it to offer quick and hassle-free loans to MSMEs across 75+ segments across 25+ locations in India.

It offers a unique daily repayment option to its customers with multi-channel repayment modes. It has served and engaged with 1,50,000+ businesses and supported them with their growth ambitions. It not only helps small businesses grow but also drives financial inclusion making a positive social impact. Headed by industry veterans, its Board of Directors comprises experts who guide the leadership team toward its strategic goals.

NeoGrowth was founded by Dhruv Khaitan and Piyush Khaitan a decade ago and is backed by renowned investors, namely Citibank, Natixia, Lightbox, Kross Impact, Accion Venture Partners, Quora Capital, 26C One Asset, KMD and Leasing Investments.

ET BFSI

From The Economic Times

Can differentiated underwriting enhance credit access for MSMEs?

Traditionally, credit underwriting was focused on credit bureau scores, audited financial reports, and bank statements verifications. Although these approaches delivered structured evaluations, they tended to exclude MSMEs that have limited credit history.



Arun Kumar Nayyar - BFSI
Subscribed to this ET 30 days ago



Arun Nayyar, MD & CEO, NeoGrowth

FINANCIAL EXPRESS

Read to Lead

Women-led businesses are changing the game—98% say they have boosted family's financial well-being

The survey, which analysed responses from over 3,000 women business owners, found that 70% started their businesses out of self-motivation and ambition rather than financial necessity.

Written by **ET Online**

March 5, 2023 9:21 IST



Customer Connect

Prioritising customers Fostering trust

We made significant progress in FY 2024-25 by upgrading the customer experience through innovation, active engagement, and clear communication. Our initiatives were carefully crafted to streamline interactions, making them faster, more user-friendly, and more considerate.

This approach ensured that we continue to be a reliable partner for our customers at every step of their financial journey.

Enhancing customer journeys

We launched a series of impactful initiatives to enhance customer experience. Proactive informational notifications were introduced at key points in the loan lifecycle to raise customer awareness and ensure **compliance with RBI guidelines**. These communications covered topics such as the risks associated with cash payments and the impact of delinquencies on credit health, empowering customers to make informed financial decisions.

We undertook a comprehensive reengineering of key processes to further improve the customer experience, including enhancements in foreclosure communication, credit bureau updates, and loan closures. These refinements contributed to a marked reduction in customer queries and complaints. The **Customer App** was also upgraded to simplify navigation and empower users with more intuitive self-service tools, while integrations with platforms like **Karzaa, KYC, Account Aggregator, DigiLocker** and **CIBIL** accelerated onboarding, driving greater satisfaction and operational efficiency.



Proactive resolution with structured escalation

We strengthened our customer grievance redressal systems with clearly defined escalation points. Customers can raise concerns via our app, website, or directly at branches. Contact details for the nodal office and grievance officers are prominently displayed, and cases are tracked through a ticketing mechanism for expedited resolution.

We also maintain a strict code of fair practices, shared with customers during onboarding and emphasised through ongoing communication. When needed, direct interactions with sales leadership are facilitated, reflecting our commitment to being accessible, accountable, and responsive.

Driving responsiveness across every interaction

We adopted a dynamic multi-channel strategy to ensure faster, more responsive support across all touchpoints. WhatsApp was introduced as a key communication channel for servicing non-connected customers, streamlining interactions related to payments, contact updates, renewals, and top-ups. Moreover, we

optimised processes for customer-initiated requests, such as bank account changes and E-NACH registrations, significantly reducing turnaround times.

To further elevate convenience, we harnessed video personal discussions (PDs), offering customers the flexibility to choose their preferred time and location. In addition, we upgraded our CRM system to provide deeper insights, enabling frontline teams to resolve customer issues accurately and promptly - often in the very first interaction.



Fostering trust with transparent and consistent messaging

In addition, we consistently shared key policies, contact points, and agent protocols, allowing customers to access accurate information and seek support with confidence, further building trust in our services.



Impact Commitment

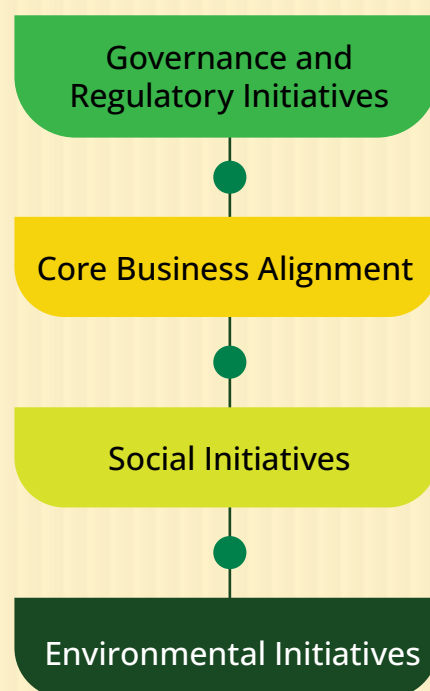
Integrated Impact Approach

At NeoGrowth, we view impact as a continuous, multi-dimensional commitment that extends beyond financial performance.

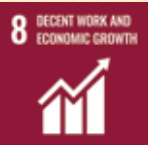
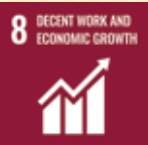
Guided by an integrated approach, we align our governance practices, core business operations, social responsibility, and environmental stewardship to create lasting value.

The integrated impact approach is guided by four pillars Governance and Regulatory Initiatives, Core Business Alignment, Social Initiatives, and Environmental Initiatives demonstrating how purpose is embedded into practice and drives progress that is both inclusive and sustainable.

4 key pillars



Social Impact Metrics

UN SDGs	NeoGrowth Indicator	Target FY 2025-26	Achievement FY 2024-25
	% of loans advanced to pharmacies, clinics, labs, and healthcare businesses (by value)	7.50%	7.50%
	% of borrowers who availed health insurance (by volume)	85%	98%
	% of loans advanced to businesses that were run by women either as sole proprietors, partners or directors (by value)	20%	25%
	% of loans advanced to businesses with vintage <=5 years (by volume)	35%	33%
	% of loans advanced to Tier II cities (by value)	25%	27%
	% of loan portfolio less than equal to ₹ 25 Lakhs (by value)	45%	66%
	% of loans advanced to first-generation entrepreneurs (by volume) [#]	-	80%
	% of borrowers taking different environmental initiatives [#]	-	37%

[#]Based on Social Impact Survey 2024 of over 250 NeoGrowth Customers across Mumbai, Pune, Delhi, Chennai, Ahmedabad, Bengaluru, and Hyderabad, conducted by AISISAR Impact.

Corporate Social Responsibility

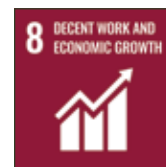
Empowering women Enabling success

We are dedicated to empowering women entrepreneurs by addressing the deep-rooted barriers they face, from limited access to finance and tools to pervasive gender stereotypes and social pressures. Through our NeoShakti CSR initiative, we are driving meaningful change, creating a path for women to contribute to an inclusive and sustainable progress. FY 2024-25 marked a pivotal year, as we thoroughly focused on forging impactful partnerships, activating grassroots change, and nurturing a more equitable ecosystem for women-led enterprises. By fostering innovation and offering the necessary support, we are ensuring they have the resources and opportunities to lead with confidence and success.

Aligned to United Nations Sustainable Development Goals (UN SDGs)



**Gender
Equality**



**Decent Work
and Economic
Growth**

Two-pronged approach to impact



Skill development & enabling livelihood

- Vocational training
- Entrepreneurial skill development
- Holistic growth programmes
- Mentorship support
- Infrastructure enhancement



Workforce participation

- Community and workplace sensitisation
- Safety and well-being measures
- Crisis intervention and support mechanisms
- Addressing gender-specific challenges
- Equipping women with tools and resources

NeoShakti

A CSR Initiative by NeoGrowth

NeoShakti exemplified the power of purposeful CSR in driving meaningful change. We mobilised underutilised resources to generate sustainable income streams, while empowering marginalised women with the confidence and skills needed to thrive. By creating deeper connections between our teams and community realities, we prioritised collective action. Most importantly, we achieved measurable social and environmental impact proving that when intent is paired with action, transformation follows.



Partnered with Times Foundation for skill-driven employability

Phases of the project

PHASE I

Content development, structuring, allotment, and batch formation

PHASE II

Mobilisation, training, assessments, and certification

PHASE III

Placement support and project closure reports

We collaborated with Times Foundation with the objective of preparing women for entry-level roles in high-demand sectors. The project implemented in Kalyan and Nalasopara, Mumbai, focused on imparting tailored vocational training across two key streams, including Retail Sales and Bank Correspondent & Business Facilitator (BCBF), equipping participants with both technical knowledge and essential soft skills. The programme placed strong emphasis on practical learning, certification, and job readiness, enabling women to step confidently into the workforce and contribute significantly to their households and communities.

We invited the participants to our offices for corporate exposure visits, offering them an invaluable opportunity to engage with various teams to gain firsthand insights into workplace dynamics and professional expectations. Senior leadership, including department heads and CXOs, played an active role in the initiative by conducting sessions, sharing their journeys, and mentoring the trainees, further reinforcing our commitment to hands-on, impact-driven CSR.

Outcomes

4 batches

Trained with 30-40 beneficiaries each

137 women

Underwent structured training (120 hours each)





Student testimonial

NeoGrowth was a great learning experience that offered us real insights into corporate life. We were guided throughout the visit, which made it even more meaningful. The session was truly inspiring, especially in the way it encouraged us to be independent and confident. Everything was explained with clarity, making it easy to comprehend. Overall, it was a wonderful experience that we truly appreciate!



Partnered with Goonj for creating livelihoods through circular economy

Phases of the project

PHASE I

Collection of materials

PHASE II

Sorting of materials

PHASE III

Processing and distribution of kits

We joined hands with Goonj, a leader in the circular economy model, to transform urban surplus into meaningful economic opportunities through our CSR initiative. The collaboration focused on two core areas, namely community development and livelihood empowerment across multiple locations, addressing pressing social needs and creating sustainable solutions.



Circular economy in practice

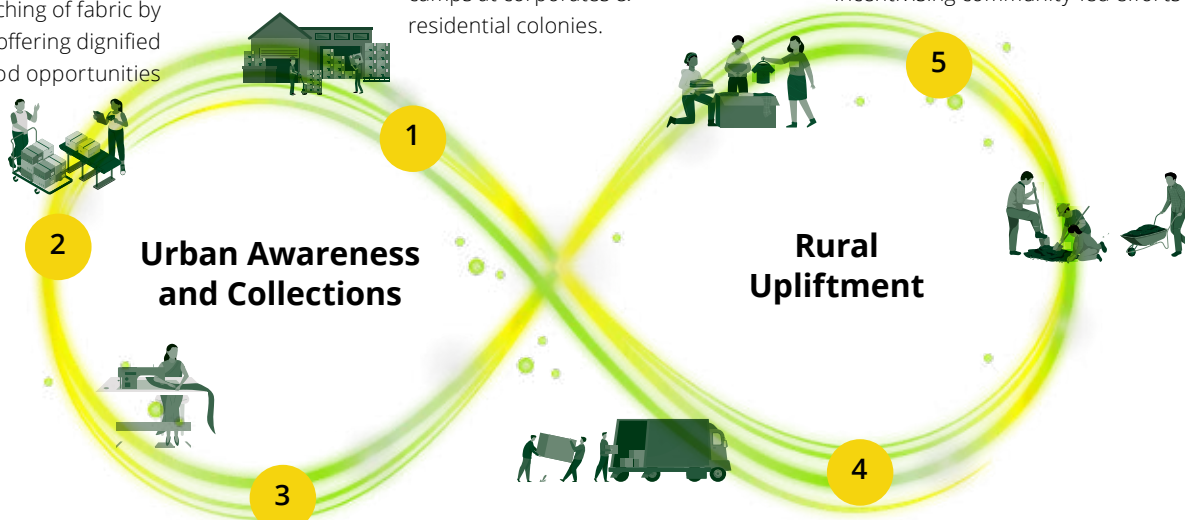
Processing- Sorting, cleaning, and stitching of fabric by women, offering dignified livelihood opportunities

Urban Collection & Civic Engagement- Pan India awareness campaigns cum collection camps at corporates & residential colonies.

Distribution of Family Kits for Social Impact- Distribution of kits as non-monetary rewards in Goonj's rural development programmes, incentivising community-led efforts

Repurposing & Production- Cloth is converted into practical, handcrafted items such as Sujnis, Aasans, and MyPads

Resource Sourcing & Assembly- Collaborations with surplus hubs supply essentials like woollens and bedsheets, which are stitched and bundled into kits



Woman Empowerment & Livelihood using Urban Surplus



We supported Goonj in implementing project in the Palghar district of Maharashtra, focused on creating livelihood opportunities for rural women and promoting material circularity. The initiative followed a structured three-phase approach, including collection of surplus materials, sorting and washing, and finally processing them into usable kits and handmade products. To ensure widespread engagement, urban awareness campaigns and collection drives were conducted across various NeoGrowth locations, actively involving our employees in material mobilisation.

Outcomes

59 women

Gained sustainable livelihood opportunities

51,000 kgs

Of urban surplus collected

28,589 kgs

Of urban surplus repurposed into useful products

4,727 kits

Distributed to rural communities

Products made by women included:

10,022

Bottle covers

8,142

Aasans

11,234

Jholas

2,103

Pencil pouches

5,71,80,000 litres

Water conserved

66,300 kg equivalent

Carbon emissions sequestered

~₹10,000

Generated through direct market sales at NeoGrowth office

Community Development-Based Livelihood Project



We collaborated with Goonj to implement a multi-location community development initiative that recycled urban surplus into family kits while addressing grassroots challenges through localised interventions. Spanning across rural areas in Karnataka (Kolar and Tumkur) and West Bengal (South 24 Parganas), the project followed Goonj's circular economy approach.

A key component of the project was the development of essential community infrastructure, including activities such as digging new canals, upkeep of Mangrove forests,

repairing and cleaning existing canals, cleaning water bodies, and maintaining community spaces. Additionally, efforts were made to develop kitchen gardens in the communities.

To support the families, family kits were distributed, which varied depending on the region's needs and the season. The kits included practical items such as food grains, handwoven carpets (Dari), ropes made from recycled materials, woolen items, water bottle pouches, handwoven bags (Jhola), sitting cushions (Aasan), sarees, clothes,



and shoes. This initiative not only aimed at improving essential infrastructure but also helped uplift families through sustainable practices, with a strong emphasis on women's empowerment and community development.

Villager participation was high, with women leading the charge with major contributions. Goonj ensured these efforts were recognised with tangible rewards, like utility kits, and bolstered long-term resilience by fostering a sense of ownership and sensitisation on upkeep and maintenance.



Outcomes

3

Community development initiatives completed

1,505 families

Directly impacted

1,200 women

Beneficiaries, representing 80% of total participants

1,505 family kits

Distributed

Engaged employees to foster ownership from within



Goonj Initiative

We actively involved our employees in the CSR journey, ensuring that our impact extended far beyond financial contributions. The Goonj project exemplified this approach, combining meaningful grassroots work with active employee engagement.

Collection Drives at Branches

We conducted Goonj collection drives across NeoGrowth branches, encouraging employees to donate surplus materials that were later repurposed into family kits for underserved communities.

Stall Set Up at NeoGrowth

Goonj teams, along with women beneficiaries, set up stalls within our offices, giving employees a chance to interact with the women and purchase upcycled products. This fostered direct engagement with the community and strengthened the spirit of social entrepreneurship.

Centre Visits at Goonj

Our teams visited Goonj centres in Mumbai, Karnataka, and Kolkata to observe the circular economy in action. They gained firsthand exposure to product repurposing processes and community-led development, contributing through volunteering and field immersion.

Times Foundation Initiative

The Times Foundation project focused on skilling and empowerment, with our employees playing a vital role in amplifying its impact. From inaugurating training batches to mentoring beneficiaries, employee engagement remained a critical pillar of this initiative.



Centre Visits at Times

Employees visited Times Foundation training centres to interact with trainers, mobilisers, and beneficiaries. These visits provided rich on-ground insights into the impact of skilling initiatives and helped employees connect with the cause.

Batch Inaugurations and Trainings

We facilitated the formal launch of BCBF and Retail skilling batches, reaffirming our long-term commitment to capacity-building and inclusive growth. Trainings included holistic modules, along with preparation to become industry-ready.

Corporate Exposure at NeoGrowth Office

Beneficiaries were invited to our offices to gain firsthand exposure to a corporate work environment. They interacted with employees, attended training sessions, and engaged with department heads a valuable step in preparing them for future employment.

Skill-Building Sessions Led by Employees

NeoGrowth employees conducted interactive sessions on customer service, soft skills, digital safety and cybersecurity, offering practical knowledge and enhancing the beneficiaries' readiness for the professional world.

Outcomes

395

Total employee hours devoted to CSR (visits, sessions, and training) in FY 2024-25

Road Ahead

We are embarking on an ambitious journey with NeoShakti, building on the strong foundation we have established. Our focus is on empowering women by equipping them with the entrepreneurial skills necessary to become independent and successful business leaders. We are enhancing our interventions to provide women with the exposure and training required to run sustainable businesses. We are committed to increasing employee volunteering as a powerful force for positive change, creating more opportunities for collaboration that deliver real-world impact. Additionally, we plan to introduce initiatives that foster greater transparency and accountability, amplifying the impact of NeoShakti and driving lasting, transformative change for women in our communities.

Board of Directors



ARUN KUMAR NAYYAR

Managing Director &
Chief Executive Officer

- A Chartered Accountant having a well-diversified experience of around 20 years in the financial services domain
- Proven track record of building businesses from scratch, scaling up established businesses, and managing stressed portfolios
- Led businesses across Micro Enterprise Lending, SME Lending, and Consumer Finance
- Deep understanding of key business drivers, risk and product management, Route to Market, and digital lending
- Experience includes a large retail financing NBFC (Edelweiss), Citibank & CRISIL (A S&P Global Company)



BINDU ANANTH

Independent Director

- Ms. Bindu Ananth holds an undergraduate degree in Economics from Madras University and Master's degrees from the Institute of Rural Management (IRMA) and Harvard University's John F. Kennedy School of Government.
- She is the Chair & Co-founder of Dvara Trust. Earlier, she worked with ICICI Bank's microfinance team (2001–2005) and later headed new product development in its Rural Banking Group (2007).
- She has co-edited Financial Engineering for Low-Income Households (SAGE) and published in the Economic and Political Weekly, OECD Trade Paper Series, and Small Enterprise Development Journal.
- Her public policy contributions include serving on RBI Committees on Financial Services for Low-Income Households (2013), Housing Finance Securitisation (2019), and MSMEs (2019). She was also part of the Government of India's High-Level Committee on Women (2014–15), the Taskforce of the Insolvency & Bankruptcy Board of India (2017), and the World Bank's CGAP (2017–22).
- She was featured by Forbes in 2017 among India's leading women leaders, received the Women's Leadership Award from ET Prime in 2020, and was awarded the Raymond Vernon Prize by Harvard University for her commitment to international development.



DHRUV KHAITAN

Founder

- D.K. Khaitan (DK) has been a founder and strategic mentor across several high-technology ventures in India,

playing an instrumental role in conceptualising, creating and scaling these enterprises

- Guided these companies through critical phases of startup, growth, market leadership, and eventual divestment to strategic buyers who wanted to establish their leadership in India
- Served as Chairman of Venture Infotek until divestiture
- Established an industrial automation start-up which evolved into a joint venture with, and later successfully

divested to the Fortune 500 Rockwell International of the USA

- Holds a Bachelors' degree in Physics from the University of Kolkata, Bachelor's degree in Electrical Engineering from MIT, the USA, Master's degree from University of California, Berkeley, the USA
- Along with his family, actively involved in supporting various cultural, spiritual, and philanthropic organisations in India



GANESH RENGASWAMY

Nominee of minority shareholder interests

- Mr. Ganesh Rengaswamy is Co-founder and Managing Partner at Quona Capital, leading investments across India and Southeast Asia.
- He previously led Asian investments for Accion Frontier and was a General Partner at Lok Capital. He also served as Asia Director at Unitus, backing institutions like Ujjivan, Equitas, Northern Arc, and Bandhan.
- Ganesh co-founded Travelguru.com (acquired by Travelocity) and helped launch Greylock Partners in India.

- He began his career at Infosys, advising Fortune 1000 clients.
- A recognised voice in fintech and impact investing, he has spoken at the Singapore Fintech Festival, GIIN, and SuperReturn.
- He has been featured in Bloomberg, CNBC, The Economic Times, and Mint
- He holds an MBA from Harvard Business School.



MICHAEL J. FERNANDES

Nominee of Trinity Inclusion Limited (LeapFrog) (Resigned w.e.f. April 02, 2025)

- Serves as the Partner at LeapFrog Investments and co-leads LeapFrog's work in South and Southeast Asia

- Brings over 20 years of experience across operations, consulting, and investing, having led several of LeapFrog's landmark investments, including IFMR Capital, Fincare, and NeoGrowth in India, and Reliance Capital, in Indonesia
- Previously served as the Country Head for India for Khazanah Nasional, Malaysia's sovereign fund, having led the global healthcare team with focus on financial services and infrastructure. Overseen over \$700 million of investments in India, including

Yes Bank, L&T Finance and Uniquist. Managed the Khazanah healthcare portfolio, consolidated under IHH Healthcare and listed in Singapore for a \$7 billion valuation

- Served on the Boards of IDFC and Apollo Hospitals
- Earlier led the \$250 million global custom manufacturing business for the Piramal Healthcare Group, focusing on global acquisitions, business development, supply chain management, and talent acquisition



P. H. VIJAYA DEEPTI

Nominee of FMO

- Vijaya Deepti is a Member - Board of Directors at Tata AIG General Insurance Co. Ltd and a Member of the Risk Management Committee and Audit Committee. As an Independent Director at Aster DM Healthcare, she Chairs the Risk Management Committee and Technology Steering Committee in addition to being a member of the Nominations, Remuneration and Compensations and CSR Committees. As an Additional Director at CreditAccess Life

Insurance Company, she Chairs the PP, GR and CM and the NRC and is a member of the Audit Committee. She is an Additional Director on the Board of NeoGrowth Credit Pvt Ltd. She is a Director on the Board of GIEEE Institute of Engineers and a Trustee at Grassroots Research and Advocacy Movement.

- She was the CEO of Tata Insights and Quants a Division of the Tata Industries Ltd. The Organization is a Center of Excellence for Data and Analytics for the Tata Group. The focus is to work with the Tata Group Companies on leveraging Advanced Analytics to address business challenges. She has been supporting IEEE Working Groups to build Industrial AI Standards.
- She was with Tata Consultancy Services (TCS) for over three decades and held roles both at Corporate and Business

Unit Level. As a member of the Corporate Governance Team, she supported multiple Business Units in their strategic initiatives and programs. She was on the Board of Diligenta which is a Regulated Subsidiary of TCS in UK.

- In Dec 2009, she was conferred the "Leading Business Woman of The Year" award by Women Leaders in India (WLI) in recognition for her contribution towards growing the insurance business within TCS despite the global economic downturn. In 2023, she was conferred Distinguished Alumnus Award by VJTI, Mumbai.
- She has been working with a number of NGO's in areas such as Integrated Forest Management, Education for under-privileged and grooming of leadership talent.



PIYUSH KHAITAN

Founder & Chairman

- P.K. Khaitan (PK) is a seasoned operating executive with extensive experience in

founding and scaling a number of businesses

- Previously served as the Managing Director of Venture Infotek until divestment.
- Founded DEI, India's largest secure card personalisation bureau, which merged into Venture Infotek in 2007
- Played a pivotal role in shaping the card payments industry in India by working closely with the Card Networks, RBI, and IBA

on policy development and industry direction

- Served as the Founder Chairman of the 'ePayments Focus Group' under the Smart Card Forum of India (SCAFI) from 2000 to 2005
- Holds Bachelor's degree with honours from Mumbai University and Small and Medium Enterprises Programme (SMEP) from IIM, Ahmedabad



PRANAV KUMAR

Nominee Director of Trinity Inclusion Limited (Appointed w.e.f. April 23, 2025)

- Mr. Pranav Kumar is a Partner in Leap Frog's Asia Financial Services team based in Singapore.
- He leads new investments, portfolio management and exits across South and Southeast Asia. He currently serves on the boards of LeapFrog partner companies Dvara Kshetriya Gramin Financial Services Private Limited and Shubham Housing Development Finance Company Limited. His other notable transactions include NeoGrowth, Fincare (acquired by AU Bank) and Magma Fincorp (exited).
- Prior to joining LeapFrog, Mr. Pranav held positions at the World Bank Group and McKinsey & Company. He holds an MBA from Indian Institute of Management, Ahmedabad, and a Bachelor of Technology degree in Computer Science and Engineering from the Indian Institute of Technology, Bombay.



RAMAKRISHNAN SUBRAMANIAN

Professional and nominee of Trinity Inclusion Limited (LeapFrog)

- A seasoned banker and financial services leader with over 30 years of experience across strategy, board, and governance, with a proven executional track record in Retail & SME businesses, M&A, and commercial banking.
- Built and scaled businesses in Retail Financing for HDFC Bank and other entities, covering mortgage, LAP, personal loans, business loans, SME, LAS, gold loans, autofinance, commercial vehicles, equipment financing, securitisation.
- Served in several senior roles at leading universal banks and NBFCs, spanning strategy, business setup, scale-up, transformation, JVs, franchise sales, and exits, across India, Singapore, Hong Kong, and Thailand, with oversight of multiple ASEAN countries.
- Currently, Board member of IIFL Finance, IIFL OPEN and has previously served as a Board member of ING Vysya Bank (Kotak Bank) and Shriram Capital Limited, Shriram Transport Finance Limited, Shriram City Union, Shriram Life, and General insurance



SURESH JAYARAMAN

Independent Director

- Served as the Managing Director & CEO of Arvind Fashions Limited where he played a pivotal role in transforming the company. Joining in September 2005, he strengthened its brands and retail portfolio through organic growth and acquisitions, while aggressively scaling 'Unlimited' as a leading value retail chain in apparel. During his 16-year tenure, the company's turnover increased 30 times with a multi-fold increase in profits leading to the listing of Arvind Fashions Limited.
- Previously held several senior positions during his 18-year-old stint in Hindustan Unilever Limited and served as a member of the management committee of the foods and beverages business
- Served as CEO of MTR Foods, appointed by JP Morgan Chase post their investment, and was instrumental in growing the regional brand into a national brand with a global presence
- Served as the Chairman of the CII National Committee on Retail in 2013-2014 and Chairman of India Fashion Forum
- Currently, is a member of the National Council of Retailers Association of India
- Post retirement, he serves as the Senior Advisor to Boston Consulting Group (BCG) and is on the Board of four companies, also advising businesses as an Independent Consultant
- Holds a degree in Mechanical Engineer and has an MBA from IIM Bangalore

Leadership Team

NeoGrowth's leadership team brings together diversity of talent and a wealth of experience



Arun Kumar Nayyar
Managing Director & CEO



Deepak Goswami
Chief Financial Officer



Manmeet Singh
Chief Business Officer -
Primary Markets



Amol Deherkar
Chief Product Officer



Ravi Valia
Chief Risk Officer



Vikas Dhankhar
Chief Technology Officer



Anjali Yadav
Chief Human Resources
Officer



Akhil Jain
Chief Business Officer-
Emerging Markets



Yogesh Nakhwa
EVP - Operations, Customer
Service and Business
Excellence



Gauri Shah
SVP - Risk & Credit Policy



Vasudha Chaudhry
National Credit Manager -
Unsecured



Nitin Takalkhede
National Credit Manager -
Secured



Kapil Bhalchandra Talati
SVP - Internal Audit and
Controls



Sanjay Rawat
Chief Compliance Officer

Corporate Information

BOARD OF DIRECTOR(S)

Mr. Piyush Kumar Khaitan	Chairman & Founder Director
Mr. Dhruv Kumar Khaitan	Founder Director
Mr. Arun Kumar Nayyar	Managing Director & CEO
Mr. Ganesh Rengaswamy	Minority Shareholder Director
Ms. Bindu Ananth	Independent Director
Mr. Suresh Jayaraman	Independent Director
Mr. Ramakrishnan Subramanian	Nominee Director
Mr. Michael Jude Fernandes	Nominee Director (Till April 02, 2025)
Mr. Pranav Kumar	Nominee Director (Appointed w.e.f. April 23, 2025)
Ms. Deepa Bachu	Nominee Director (Till July 31, 2024)
Ms. P. H. Vijaya Deepti	Nominee Director (Appointed w.e.f. September 09, 2024)

COMMITTEES OF THE BOARD

Audit Committee

Ms. Bindu Ananth	Chairperson
Mr. Suresh Jayaraman	Member
Mr. Ramakrishnan Subramanian	Member

Nomination and Remuneration Committee

Mr. Suresh Jayaraman	Chairperson
Mr. Piyush Kumar Khaitan	Member
Ms. Bindu Ananth	Member
Mr. Michael Jude Fernandes	Member (Till April 02, 2025)
Mr. Pranav Kumar	Member (Appointed as Committee member w.e.f. May 16, 2025)

Risk Management Committee

Mr. Ramakrishnan Subramanian	Chairperson
Mr. Piyush Kumar Khaitan	Member
Ms. Bindu Ananth	Member
Mr. Arun Kumar Nayyar	Member

Resource & Mobilization Committee

Mr. Arun Kumar Nayyar	Chairperson
Mr. Piyush Kumar Khaitan	Member
Mr. Michael Fernandes	Member (Till April 02, 2025)
Ms. Bindu Ananth	Member
Mr. Ramakrishnan Subramanian	Member
Mr. Pranav Kumar	Member (Appointed as Committee member w.e.f. May 16, 2025)

Corporate Social Responsibility Committee

Mr. Arun Kumar Nayyar	Chairperson
Ms. Bindu Ananth	Member
Ms. Deepa Bachu	Member (Till July 31, 2024)
Mr. Piyush Kumar Khaitan	Member (Appointed w.e.f. May 13, 2024)
Ms. P. H. Vijaya Deepti	Member (Appointed w.e.f. September 09, 2024)

Information Technology (IT) Strategy Committee ("ITSCM")

Mr. Suresh Jayaraman	Chairperson
Mr. Dhruv Kumar Khaitan	Member
Ms. Deepa Bachu	Member (Till July 31, 2024)
Ms. P. H. Vijaya Deepti	Member (Appointed w.e.f. September 09, 2024)
Mr. Ramakrishnan Subramanian	Member
Mr. Arun Kumar Nayyar	Member
Mr. Vikas Dhankhar	Member
Mr. Deepak Nath Goswami	Member
Mr. Naveen Kumar	Member
Mr. Yogesh Nakhwa	Member
Mr. Ravi Valia	Member (Appointed w.e.f. January 07, 2025)

Equity Raise & Liquidity Committee

Mr. Michael Fernandes	Chairperson (Till April 02, 2025)
Mr. Pranav Kumar	Chairperson (Appointed as Committee member w.e.f. May 16, 2025)
Ms. Deepa Bachu	Member (Till July 31, 2024)
Mr. Piyush Kumar Khaitan	Member
Mr. Ganesh Rengaswamy	Member
Mr. Arun Kumar Nayyar	Member
Ms. P.H. Vijaya Deepti	Member (Appointed w.e.f. September 09, 2024)

SHAREHOLDERS

1. Mr. Dhruv Kumar Khaitan – Founder and Director
2. Mr. Piyush Kumar Khaitan – Chairman & Founder Director
3. ON Mauritius
4. Aspada Investment Company
5. Khosla Impact I Mauritius
6. Accion Frontier Inclusion Mauritius
7. 360 One Seed Ventures Fund 1
8. Plenitude Ventures Private Limited
9. Trinity Inclusion Limited.
10. Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. (FMO)
11. Mr. Arun Kumar Nayyar – Managing Director and CEO

STATUTORY AUDITORS

KKC & ASSOCIATES LLP

(formerly Khimji Kunverji & Co. LLP), CA
Sunshine Tower, Level 19, Senapati Bapat Marg,
Prabhadevi, Mumbai, Maharashtra, India, 400013

SECRETARIAL AUDITORS

SACHIN DEDHIA & ASSOCIATES

104, Sushila Apt, Devidas Lane, Borivali (W),
Mumbai – 400 103

REGISTRAR AND SHARE TRANSFER AGENT

KFIN Technologies Limited

(formerly known as KFin Technologies Private Limited)

Corporate Office Address: - Selenium Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, India

DEBENTURE TRUSTEE

- a. **Catalyst Trusteeship Limited**
(Formerly GDA Trusteeship Ltd)
GDA House, Plot No. 85, Bhusari Colony (Right),
Paud Road, Pune – 411 038
- b. **Beacon Trusteeship Limited**
5W, 5th Floor, Metropolitan Building, E Block,
Bandra Kurla Complex (BKC), Bandra (East),
Mumbai 400 051

BANKERS

1. RBL Bank Limited
2. DCB Bank Limited
3. IDFC First Bank Limited
4. Federal Bank Limited
5. ESAF Small Finance Bank Limited
6. Yes Bank Limited
7. AU Small Finance Bank Limited
8. Suryoday Small Finance Bank Limited
9. Indian Bank Limited
10. Indian Overseas Bank
11. ICICI Bank Limited

REGISTERED OFFICE

NeoGrowth Credit Private Limited

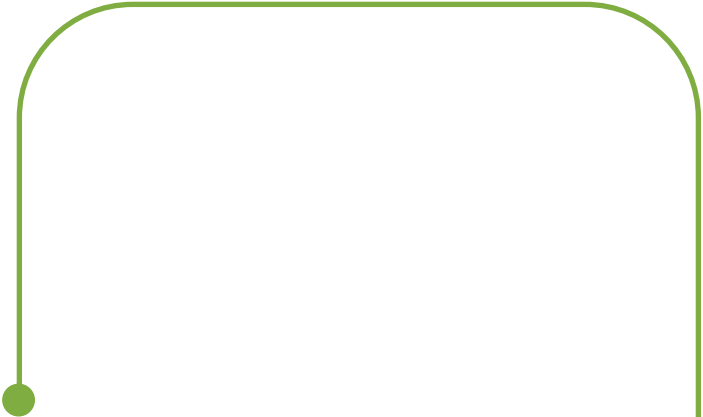
CIN: U51504MH1993PTC251544

Times Square, Tower E, 9th Floor, Andheri-Kurla Road,
Marol, Andheri East, Mumbai- 400059, Maharashtra

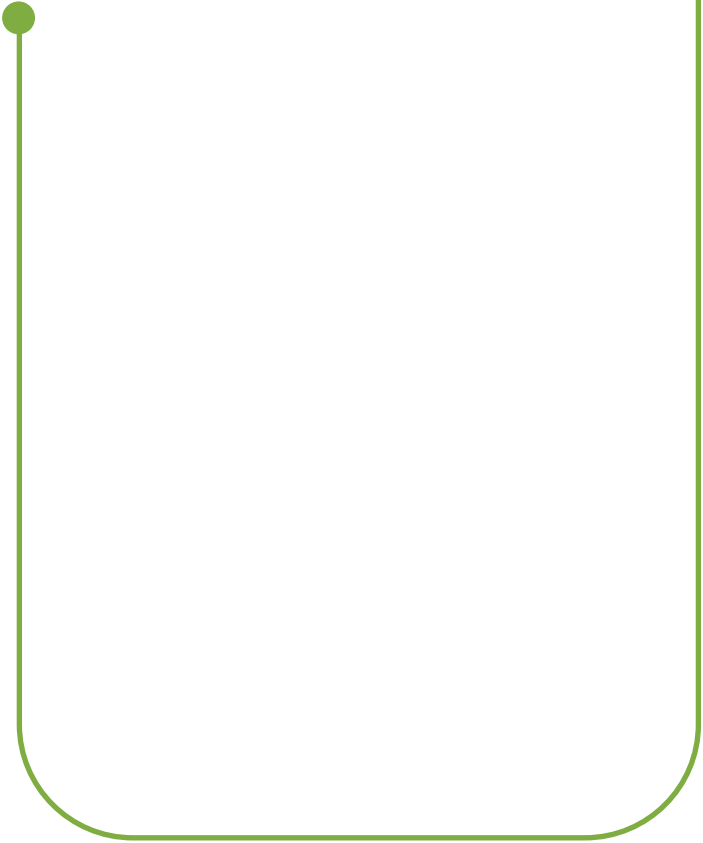
GEOGRAPHICAL COVERAGE

No. of Branches including HO: **33**

No. of States: **15**



Statutory Reports & Financial Statements



Management Discussion and Analysis

By empowering MSMEs - the enduring mainstay of the Indian economy - we are catalysing a stronger, more inclusive, and resilient India, rooted in robust socio-economic metrics. When small businesses flourish, so does the nation, driven by entrepreneurs who truly embody the spirit of new-age India - bold, inspired, and agile.



ECONOMIC REVIEW

Global Economic Overview

In 2024, the global economy demonstrated resilience, achieving a steady growth rate of 3.2% despite the challenges posed by elevated interest rates and ongoing geopolitical uncertainties. Although this represented an improvement over the performance in some recent years, it remained below the historical average of 3.7% recorded between 2000 and 2019. This moderated growth was shaped by a combination of structural headwinds, including monetary policies across major economies, persistent geopolitical risks, and sector-specific constraints that weighed on activity in both advanced and emerging markets.

Economic outcomes varied across geographies. Advanced economies faced subdued manufacturing output, muted consumer sentiment, and lingering inflationary pressures. Elevated energy costs disrupted trade patterns, while the delayed effects of previous interest rate hikes further weakened demand and constrained overall growth.

In contrast, emerging markets and developing economies contended with a different set of challenges. These included weakening external demand, capital outflows driven by rising interest rates in developed markets, and local policy uncertainties. Export-driven nations were particularly vulnerable to geopolitical tensions and global trade disruptions. Nonetheless, resilience in select economies, supported by strong domestic consumption and targeted policy measures, helped mitigate some of the prevailing pressures.

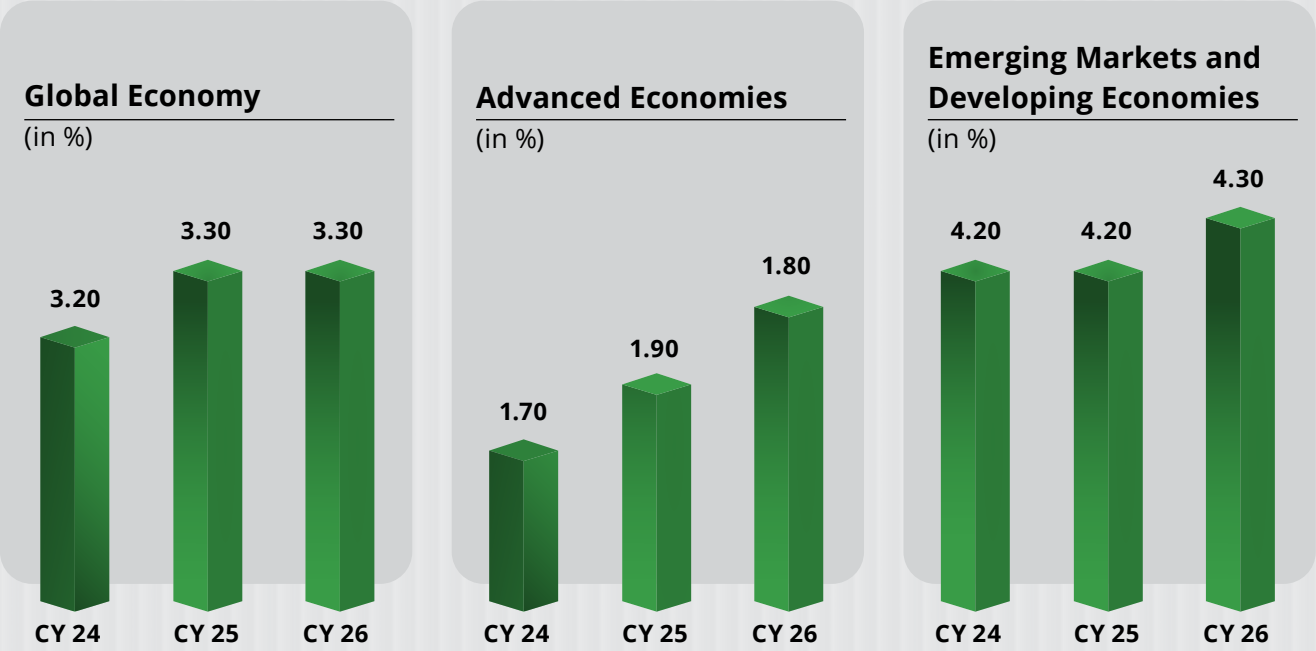
On the inflation front, global headline inflation eased to 4.2% in 2024, down from 5.7% in 2023. This decline was largely attributed to stabilizing energy prices and the gradual resolution of supply chain disruptions. Central banks remained cautious in their approach, seeking to balance the need for economic recovery with the goal of anchoring inflation expectations. Looking ahead, global inflation is projected to decline further to 3.5% by 2026, provided that geopolitical risks and supply-side shocks remain contained.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)



GDP Growth Projections



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

In 2024, global trade remained under pressure from rising protectionism, geopolitical frictions, and evolving alliances. Disruptions from US-China tensions, tariffs, and export controls were compounded by nearshoring trends and ongoing conflicts like the war in Ukraine. Oil markets faced downward pressure due to softer Chinese demand and increased supply, though geopolitical risks persisted. Financial markets saw uneven movements, with strength in advanced economies and volatility in emerging ones, driven by capital outflows and a firmer dollar. While inflation and tight monetary conditions constrained growth, the global economy showed resilience, underpinned by agile trade strategies, stabilising prices, and coordinated policy actions. The year underscored the importance of adaptability, strong governance, and global collaboration in navigating continued uncertainty.

Outlook

Global growth is expected to hold steady at 3.3% in both 2025 and 2026, reflecting a resilient global economy despite ongoing challenges. The moderation in inflation offers a welcome boost to confidence, while continued momentum in key sectors signals underlying strength. To sustain this positive trajectory, the focus must remain on timely policy action, targeted structural reforms, and enhanced global collaboration. By reinforcing economic resilience and advancing inclusive growth, countries can unlock new opportunities and navigate an increasingly interconnected and dynamic world with confidence.

Indian Economy

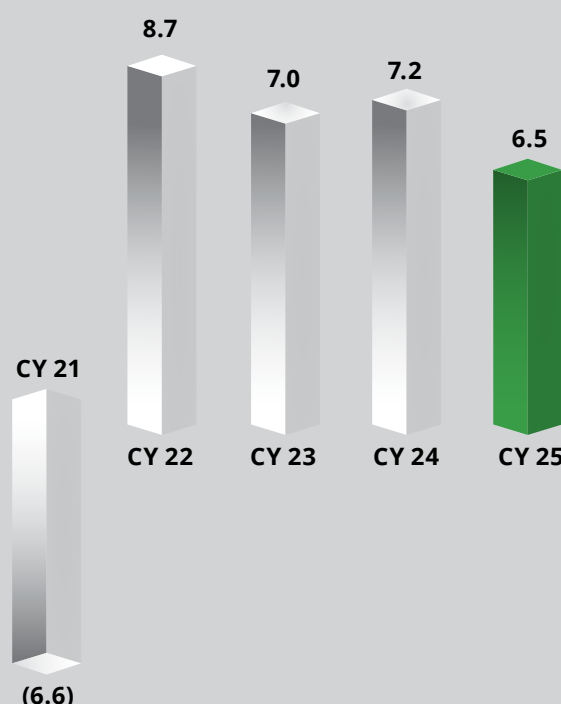
India has emerged as a beacon of resilience and stability, marked by consistent GDP growth, moderate inflation, and robust domestic demand, despite persistent headwinds from global markets.

The country is poised to retain its position as the fastest growing major economy in 2025 and 2026. Economic outlook forecasts place growth at approximately 6.2% in 2025 and 6.3% in 2026, maintaining a solid lead over global and regional peers.

India's expanding middle class, driven by rising incomes and aspirations, is powering consumption, boosting investments, and strengthening financial markets. With growing financial awareness and access, household savings are increasingly directed into productive channels, supporting capital formation and economic stability. This shift is reshaping India's growth story through sustained demand and deeper market participation.

GDP Growth trend

(in %)



Agriculture and Allied Sectors: The agricultural sector grew by 4.4% in FY 2024–25, recovering from a phase of subdued performance. Favourable monsoon conditions have resulted in a healthy Kharif crop, boosting rural incomes and driving higher demand. Additionally, targeted government initiatives focused on farmer welfare and agricultural infrastructure have fortified the sector's foundations, supporting sustained growth.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2106921#:~:text=The%20growth%20rate%20in%20Real,a%20growth%20rate%20of%209.9%25>)

(Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2123826>)

source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2132688>

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2106921#:~:text=The%20growth%20rate%20in%20Real,a%20growth%20rate%20of%209.9%25>)

Industrial Sector: The industrial sector **expanded by approximately 4.0–4.5% in FY 2024–25**, driven by moderate growth in construction and essential utilities such as electricity, gas, and water supply. The manufacturing sub-sector has demonstrated strong momentum, with increased output across major industries further reinforcing the sector's performance.

Services Sector: Services remained a key pillar of the economy, with **financial, real estate, and professional services growing by 7.2% in FY 2024–25**. Trade, transport, and communication services also saw robust expansion, supported by **an 8.9% rise in public administration and other services**, reflecting heightened economic activity and rising consumer demand.

Construction Sector: The construction sector grew by 9.4% in FY 2024–25, fuelled by robust infrastructure development and increased investments. Significant government spending on large-scale projects played a catalytic role, supporting employment and driving growth across allied industries.

Inflationary pressures, though present, are showing signs of easing as strong agricultural output and timely government interventions help stabilise food prices. Core inflation remains contained, and proactive monetary policy by the Reserve Bank of India has ensured a balanced approach to managing demand without stifling growth. As supply chains normalise and global commodity prices soften, inflation is expected to gradually align with target levels, creating a more favourable environment for consumption, investment, and long-term economic stability.

On the fiscal front, the government has continued its consolidation path, targeting a fiscal deficit of 4.9% of GDP for FY 2024–25, an improvement from 5.6% in the previous year. To accelerate infrastructure-led growth, the Union Budget for FY 2025–26 allocated ₹11.21 lakh crore approximately 3.1% of GDP for capital expenditure. This significant outlay underscores the government's commitment to strengthening core infrastructure, creating jobs, and driving growth across interlinked sectors. (Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2035603>)

India's external sector is also on track for a gradual rebound. Merchandise exports are expected to rise steadily, supported by sustained global demand in key areas such as engineering goods, pharmaceuticals, and electronics. On the import side, lower crude oil prices and expanding domestic manufacturing capacity particularly under the Production-Linked Incentive (PLI) schemes are likely to moderate inbound trade. As a result, the trade deficit is expected to narrow compared to the previous fiscal year. Strategic policy measures, including new trade agreements and targeted export promotion efforts, are anticipated to further strengthen India's position in global markets.

Key growth drivers

1.4 billion +

India stands as the world's most populous nation and continues to witness steady demographic growth. The number of households is rising in tandem with the population, creating a growing base for consumption and expanding demand for financial services.

28 years

Is the median age of India's population, making it one of the youngest globally. This youthful demographic, with a large share in the working-age group, fuels long-term economic potential and creates a vibrant, expanding consumer base.

600 million

Urban residents by 2036, India's accelerating urbanisation is set to reshape its economic landscape. As the urban share rises from 31% in 2011 to an estimated 40%, demand for housing, infrastructure, and services is surging, expanding the market for formal finance and consumer products.

700 million +

With approximately 700 million smartphone users, India is witnessing a significant push towards financial inclusion. The growing penetration of smartphones is improving digital literacy, particularly in rural areas, and enabling easier access to banking services, digital payments, and government welfare schemes. This is helping integrate underserved populations into the formal financial system and providing them with essential tools for savings, credit, and secure transactions.

source: <https://www.reuters.com/world/india/indias-industrial-output-rises-27-yy-april-2025-05-28/>

source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2132688>

source: <https://www.reuters.com/world/india/indias-industrial-output-rises-27-yy-april-2025-05-28/>

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2132688>

Outlook

India's economy is poised to maintain its upward trajectory in FY 2025-26, supported by resilient domestic consumption, increased public investment, and reform-oriented governance. Dynamic sectoral contributions, including robust growth in services, manufacturing, and construction, are further strengthening the economic foundation.

While global uncertainties, trade volatility, and geopolitical tensions remain potential headwinds, India's structural transformation is expected to provide long-term resilience. This transformation is being driven by rapid digital adoption, a vibrant startup ecosystem, and a focused push on manufacturing through initiatives such as the Production-Linked Incentive (PLI) schemes.

India's strategic fiscal and monetary approach, coupled with rising productivity and innovation-led growth, continues to enhance its economic competitiveness. With disciplined policy management and growing internal momentum, the country is well-positioned to retain its status as the world's fastest-growing major economy. However, risks such as capital flow volatility and persistent core inflation necessitate continued vigilance and policy agility to ensure sustained, inclusive, and sustainable development.



INDUSTRY OVERVIEW

NBFCs

India's economic momentum has remained resilient, supported by strong domestic demand and continued expansion in the manufacturing and services sectors. As the economy progresses, credit demand is expected to remain buoyant, particularly among Micro, Small and Medium Enterprises (MSMEs) and retail segments.

In FY 2024-25, the NBFC sector operated in a nuanced environment, balancing cautious optimism with structural adjustments. While repo rate cuts eased funding costs, overall growth remained uneven, along with an increase in the regulatory oversight. The unsecured lending segment faced challenges, with a rise in early delinquencies and softening consumer appetite leading to tighter underwriting norms. Nonetheless, NBFCs maintained their leadership in origination share and deepened their presence in underserved markets, supported by digital enablement and risk-segmented strategies that prioritised sustainable expansion.

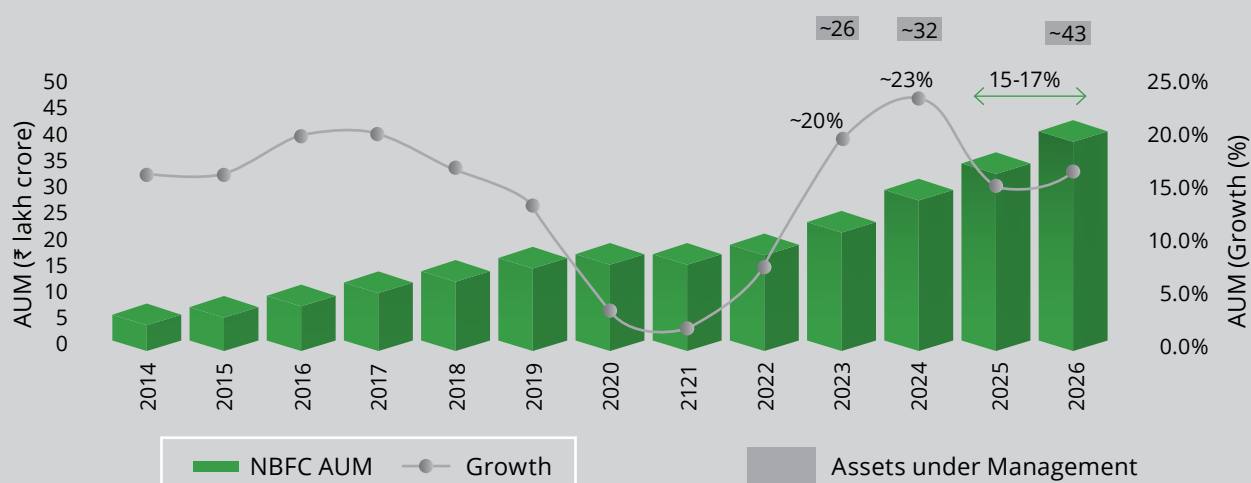
Growth in assets under management (AUM) of India's non-banking financial companies (NBFCs) is expected to moderate to 15-17% in FY 2025-26, down from 23% in FY 2023-24. While this remains above the decadal average of 14%, the slowdown reflects a strategic shift in response to evolving regulatory and market dynamics. Rising household debt, asset quality pressures in microfinance and unsecured loans, tighter regulatory norms, and slower bank lending are prompting NBFCs to recalibrate their strategies. The focus is now moving from aggressive expansion to sustainable, compliant, and risk-conscious growth.

(Source: https://pib.gov.in/PressReleasePage.aspx?PRID=2098447&utm_source=chatgpt.com, <https://www.reuters.com/world/india/indias-central-bank-delivers-first-rate-cut-nearly-5-years-2025-02-07/>, <https://www.ft.com/content/ace560e2-794c-4621-a57c-cc828c6f91e4>, https://pib.gov.in/PressReleasePage.aspx?PRID=2098353&utm_source=chatgpt.com, <https://www.reuters.com/world/india/indias-economic-growth-picks-up-rising-government-consumer-spending-2025-02-28>, <https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook>)

(Source: <https://www.crisilratings.com/en/home/newsroom/press-releases/2024/12/nbfc-asset-growth-to-moderate-to-15-17percent-over-two-fiscals.html>)

AUM growth of NBFCs (including HFCs)

(₹ lakh crore)



Source: Company data, CRISIL Ratings estimates; AUM is as of fiscal year end. Past data excludes HDFC Ltd.

Non-Banking Financial Companies (NBFCs) have emerged as a vital source of funding for a wide section of the population, including SMEs who have traditionally remained outside the formal financial system. Leveraging their deep understanding of local markets, extensive reach, and quick turnaround capabilities, NBFCs have effectively addressed diverse financing needs with speed and efficiency. These institutions have significantly contributed to financial inclusion, enabling the growth of countless MSMEs and supporting employment generation across regions.

The sector has expanded considerably, with a variety of players entering the market and adopting different business models. In recent years, the Indian financial services ecosystem has witnessed a period of significant transformation. The advances in digital authentication, and the widespread adoption of UPI, mobile phones, and internet connectivity have together led to the modularisation of financial services, particularly in credit.

This shift is enabling financial institutions to offer more specialised and technology-driven financial solutions, tailored to meet the diverse needs of customers. These developments have improved customer experience, accelerated service delivery, and enhanced access to credit for segments that were previously unserved and underserved. As digital infrastructure strengthens further, this modular model is likely to redefine how credit originated, assessed, and managed across the country.

Amid the accelerating wave of digital adoption and rising credit demand, the NBFC sector stands at a pivotal inflection point. The retail-focused segment continues to expand at a strong pace, requiring substantially higher levels of funding to meet the growing credit needs of both individual and small business borrowers. Digital platforms are playing a crucial role in this expansion, enabling faster customer onboarding, efficient credit underwriting, and seamless loan disbursements.

Emerging technologies, including AI-driven credit assessment models and advanced analytics, are helping NBFCs improve risk evaluation and personalise financial solutions. The integration of Generative AI is further enhancing customer engagement through automated support, hyper-personalized offerings, and data-driven decision-making. While sector-wide profitability is expected to moderate slightly in the near term due to increasing competition, rising compliance costs, and an evolving asset mix, technology-led innovations are expected to drive operational efficiencies and open new avenues for sustainable growth.

Retail assets under management have grown meaningfully, though future expansion may proceed at a more stable pace due to the large base already established. Within this trend, unsecured lending has retained healthy momentum, especially in the personal and consumer loan segments. This is largely supported by steady retail demand and the ease of accessing credit through digital platforms.

Overall, the NBFC sector is navigating a phase of realignment and opportunity. With strong fundamentals, growing digital capabilities, and an inclusive approach to credit delivery, NBFCs are well placed to continue playing a critical role in India's financial system. Their success in the evolving environment will depend on their ability to stay nimble, leverage technology, and respond proactively to market and regulatory shifts.

Key Drivers of NBFC's Growth

Enhanced financial inclusion: NBFCs have effectively reached underserved and unbanked segments, providing credit to individuals and small businesses often overlooked by traditional banks. Their extensive networks and tailored products have been pivotal in promoting financial inclusion.

Operational flexibility: NBFCs operate with greater flexibility, allowing them to swiftly respond to market changes and evolving customer needs. This agility enables the delivery of tailored financial solutions, driving higher customer satisfaction and loyalty.

Technological advancements: Embracing modern technology, NBFCs have streamlined operations through digital platforms, leading to efficient loan processing and improved customer experiences. This tech-savvy approach has broadened their reach and appeal.

Focus on niche markets: By concentrating on specific sectors such as vehicle loans, and consumer durables, NBFCs have effectively addressed unique market demands, establishing themselves as preferred financiers in these areas.

Regulatory support: Favourable regulatory changes and monetary policy interventions have supported NBFC growth. The Reserve Bank of India (RBI) has eased certain lending norms, provided clearer operational guidelines, and implemented repo rate cuts to improve liquidity and lower borrowing costs. These measures have created a supportive environment for expansion and increased credit availability.

Rising consumer demand: India's growing middle class and steady consumerism have escalated the demand for credit. NBFCs have adeptly met this demand with diverse loan products, catering to a wide array of financial needs.

Outlook

India offers a compelling growth story for NBFCs, backed by a rising middle class, strong credit demand, and increasing digital adoption. Policy thrust on infrastructure, emergence of new-age businesses, and evolving consumer behavior further strengthen the sector's long-term potential. To stay ahead, NBFCs must drive end-to-end digitization, sharpen operational efficiency, and reinforce credit risk frameworks. As enablers of financial inclusion and economic activity, NBFCs are set to play a pivotal role in job creation, digital transformation, and last-mile credit delivery. With the right mix of technology, agility, and regulatory alignment, NBFCs are well-positioned to shape India's financial future.

MSME sector

The Micro, Small, and Medium Enterprises (MSME) sector continues to be a cornerstone of India's growth story, driving innovation, employment, manufacturing, and exports. With over 63 million MSMEs contributing 30% to the GDP and employing more than 116 million people, they lead the way in innovation, manufacturing, trade, and services. Accounting for 40% of India's exports, MSMEs significantly bolster our global standing. Recognising this, the Union Budget 2025-26 introduced a series of targeted measures to boost competitiveness, support scale-up, and modernise operations.

To broaden the formal ecosystem, the government revised the investment and turnover thresholds for MSME classification, enabling more enterprises to benefit from access to credit, incentives, and compliance support. Addressing long-standing challenges in funding, the enhanced credit guarantee cover now aims to improve capital availability by reducing risk for lenders particularly for micro enterprises, startups, and export-oriented units.

Together, these interventions are designed to unlock the full potential of MSMEs and catalyse their contribution to India's transformation into a resilient and self-reliant economy.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1759307#:~:text=MoS%20Shri%20Bhanu%20Pratap%20Singh%20Verma%20recalled%20the%20time%20when,the%20GDP%20from%20services%20sector>.

MSMEs Credit Growth

The Indian credit market continued to demonstrate resilience, with stable growth in outstanding balances over the years. As of March 2025, the total portfolio grew by 14% year-on-year, reaching ~₹35 lakh crore, supported by sustained credit supply across segments.

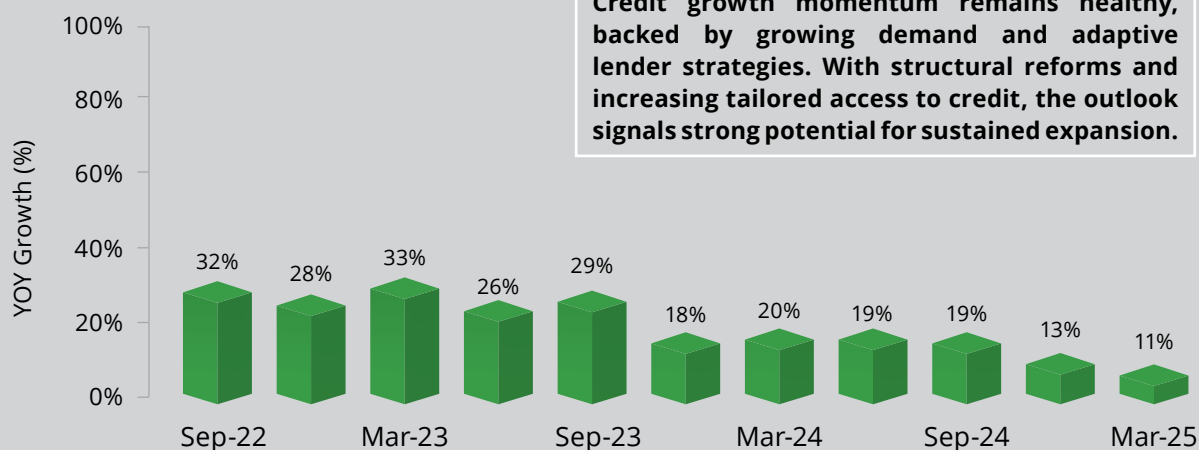
In FY 2024–25, commercial credit demonstrated both scale and resilience, even as lenders adopted a more calibrated approach in response to external headwinds. While overall origination volumes moderated, the sector maintained stability through continued support for core working capital products. This steady flow of credit, particularly in key geographies and high-activity sectors, reflected the sustained financing needs of businesses

and the confidence of lenders in the underlying economic potential. The broad-based nature of credit demand, despite short-term cautiousness, underlined the maturity of India's commercial lending ecosystem.

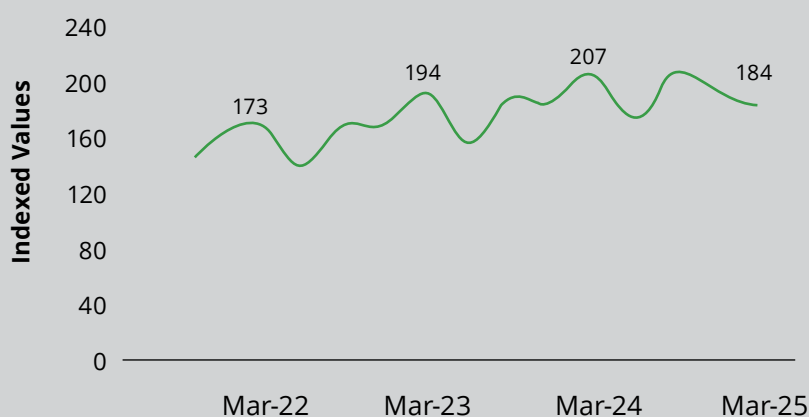
The growing participation of MSMEs marked a significant development throughout the year, indicating a healthy expansion of financial inclusion. Lenders actively supported these MSMEs with tailored credit products, enabling them to manage liquidity and scale operations effectively. This evolution, coupled with the continued dominance of major industrial states, points to a structurally strong and diversified lending environment poised for sustained growth.

Growth in enquiry volumes

(%)



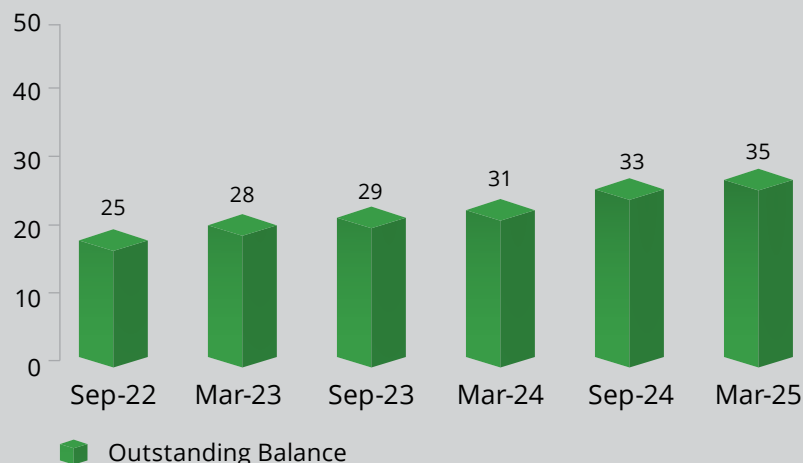
Origination value (3M ended period)



Source: TransUnion CIBIL commercial credit database | All Commercial fund-based loans (WC-TL).

Outstanding Balance | CAGR of over 14%

(Lakh Cr.)



The outstanding balance has witnessed a robust double-digit CAGR of approximately 14% over the last few years, reflecting strong and sustained MSME portfolio growth. This steady upward trend underscores healthy borrower demand, prudent risk management, and continued confidence from lenders in this segment.

Source: TransUnion CIBIL commercial credit database | All Commercial Fund based loans (WC-TL) Legacy account excludes accounts with DPD beyond 720 days or reported as loss/doubtful

Key government initiatives

- Key Measures for MSMEs in Union Budget 2025-26:** The Union Budget 2025-26 outlines a focused set of initiatives to reinforce the growth of the MSME ecosystem:
 - Enhanced access to credit:** Expansion of the credit guarantee scheme to reduce collateral constraints and encourage institutional lending to micro and small enterprises, including export-focused units and startups.
 - Support for first-time entrepreneurs:** Launch of a dedicated financial assistance scheme for new entrepreneurs from underrepresented and disadvantaged communities, promoting inclusive economic participation.
 - Sector-specific productivity initiatives:** Introduction of targeted programmes to upgrade manufacturing capabilities in labour-intensive industries such as footwear, leather, and toys, aimed at improving productivity and global competitiveness.
- Expanded credit access:** The credit guarantee limit for micro and small enterprises has been doubled to ₹10 crore, enabling ₹1.5 lakh crore in additional credit over five years. Startups now benefit from a ₹20 crore guarantee cover and reduced fees for loans in 27 priority sectors. Export-oriented MSMEs can access term loans up to ₹20 crore, enhancing their global competitiveness.
- Credit cards for micro enterprises:** A tailored Credit Card scheme for micro enterprises registered on the Udyam portal offers working capital of up to ₹5 lakh. The initiative targets 10 lakh issuances in its first year to boost liquidity and financial inclusion.
- Support for startups and first-time entrepreneurs:** A ₹10,000 crore Fund of Funds will be launched to strengthen startup support. Additionally, a new scheme will offer term loans of up to ₹2 crore over five years to five lakh first-time women, SC, and ST entrepreneurs, drawing from the Stand-Up India experience.
- Sectoral focus on job creation:** The government has launched targeted schemes to boost employment in labour-intensive sectors. A new Focus Product Scheme in footwear and leather promotes non-leather goods, aiming to create 22 lakh jobs and ₹4 lakh crore in turnover. The toy sector is being supported through cluster development and skill training. In food processing, a dedicated institute in Bihar will drive entrepreneurship in the eastern region.
- National manufacturing & clean tech mission:** The National Manufacturing Mission promotes enterprises under Make in India while supporting clean-tech manufacturing of solar PV cells, EV batteries, wind turbines, and high-voltage equipment—advancing sustainability goals.
- PM Vishwakarma Scheme:** With ₹13,000 crore allocated for 2023-24 to 2027-28, this scheme empowers artisans through training and collateral-free credit. Over 2.65 crore applications have been received, and more than 27 lakh artisans registered.

- **Udyam registration and assist platform:** The Udyam portal has formalised over 6.4 crore MSMEs, employing over 25 crore people. The Udyam Assist Platform, launched in 2023, helps integrate informal enterprises into the formal economy.
- **Prime Minister's Employment Generation Programme (PMEGP):** PMEGP offers margin subsidies for micro-enterprise creation in non-farm sectors. In FY 2023-24, over 89,000 units were supported with ₹3,094 crore in subsidies, generating 7.12 lakh jobs.
- **Scheme for Traditional Industries (SFURTI):** SFURTI has operationalised 376 artisan clusters, extending grants of ₹1,336 crore to support 2.2 lakh artisans. The scheme focuses on skill development, product diversification, and collective marketing.
- **Public procurement for MSEs:** The policy mandates 25% of Central Government procurement from MSEs, with dedicated sub-targets for SC/ST- and women-owned businesses. In FY 2023-24, ₹74,717 crore worth of goods and services were procured from MSEs, benefitting 2.58 lakh enterprises.

Outlook

India's long-term economic resilience and inclusive growth will be significantly shaped by the progress of the MSME sector. With MSMEs contributing meaningfully to GDP, industrial output, and employment generation, the momentum created by policy support, digital innovation, and financial inclusion is expected to strengthen further.

Looking ahead, sustained government focus on ease of doing business, enhanced credit access, and formalisation of enterprises will unlock greater opportunities for MSMEs to scale and compete globally. The ongoing regulatory reforms and targeted interventions will continue to bring untapped entrepreneurial talent, local innovations, and regional capacities into the economic mainstream.

As these enterprises embrace technology and digitisation, their ability to contribute to India's industrial transformation and export growth is set to expand. With a strong foundation now in place, the MSME ecosystem is poised to become a key driver of India's next phase of sustainable and broad-based economic development.

India's Retail Sector: On a Strong Growth Path

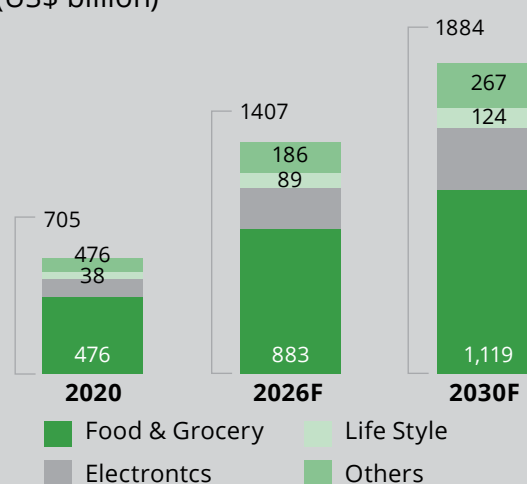
The Indian retail industry has emerged as one of the most dynamic and fast-paced sectors, driven by the entry of several new players and a rapidly evolving consumer base. India ranks among the most attractive countries for retail investment. Key drivers include the largest population globally, a growing middle-income class of approximately 158 million households, rapid urbanisation, rising household incomes, a digitally connected rural population, and increasing consumer spending. India's retail industry is projected to rise at a CAGR of 10.3% between 2020 and 2030, from US\$ 705 billion in 2019 to US\$ 1,407 billion by 2026 and more than US\$ 1.8 trillion by 2030.

A large, aspirational middle class and a largely untapped retail market continue to attract global retail giants looking to expand into high-potential geographies. The rising purchasing power of urban Indian consumers has fuelled demand for branded products across categories such as apparel, cosmetics, footwear, watches, food and beverages, jewellery, and more. This shift is steadily transforming shopping from a transactional need into a lifestyle-driven experience, further accelerating the sector's growth trajectory.

The Others category in retail includes fast-growing segments like home décor, pet care, fitness gear, and gourmet foods. Driven by rising incomes and evolving lifestyles, these niche categories are gaining traction, especially in urban and semi-urban markets, offering strong growth potential beyond traditional retail segments.

Retail market size | 10.3% CAGR from 2020 to 2030

(US\$ billion)



Source: IBEF

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2099687>

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2099687>

Over 90% of India's retail sector is driven by unorganised players like family-run and corner stores, with organised retail still in its early stages. Structural reforms, rising brand awareness, better infrastructure, and economic formalisation are accelerating the shift. Retailers are adopting omnichannel models and expanding into untapped markets, reshaping the sector into a more modern and integrated ecosystem.

Significant scope for expansion



Source: IBEF



The government has launched targeted schemes to boost employment in labour-intensive sectors. A new Focus Product Scheme in footwear and leather promotes non-leather goods, aiming to create 22 lakh jobs and ₹4 lakh crore in turnover.

The next frontier

Tier II and III cities are emerging as vibrant retail destinations, now contributing more than 50% of total e-commerce transactions. These regions are seeing increased demand for branded and aspirational products. Retailers are responding with hyperlocal strategies, mall development, and experience-driven store formats tailored to regional preferences.

Rising incomes fuel consumption:

India's per capita income is forecasted to rise significantly from USD 2,700 in FY24 to nearly USD 15,000 by 2047. This rise will fundamentally alter consumption patterns across categories. In 2024 alone, credit card spending grew nearly 18% year-over-year, touching approximately USD 21 billion highlighting a shift towards formal and higher-value transactions.

Omnichannel retailing gains momentum:

The line between physical and digital retail continues to blur, as retailers adopt integrated strategies to offer a seamless shopping experience. Click-and-collect models, AI-enabled personalisation, virtual try-ons, and real-time inventory management are becoming industry norms. Omnichannel adoption is not just improving reach, but also increasing customer stickiness.

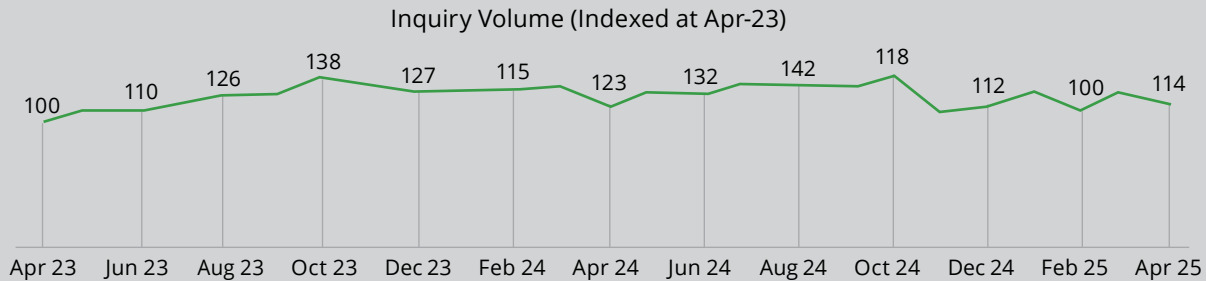
Sustainability as a differentiator:

Today's consumer is increasingly environment-conscious, and retailers are responding. From recyclable packaging to sustainable fashion lines and carbon-neutral logistics, brands are aligning their strategies with green goals. Ethical sourcing, waste reduction, and energy-efficient store formats are becoming standard features in retail operations.

Retail leading demand and supply

Retail Lending Overview - Demand

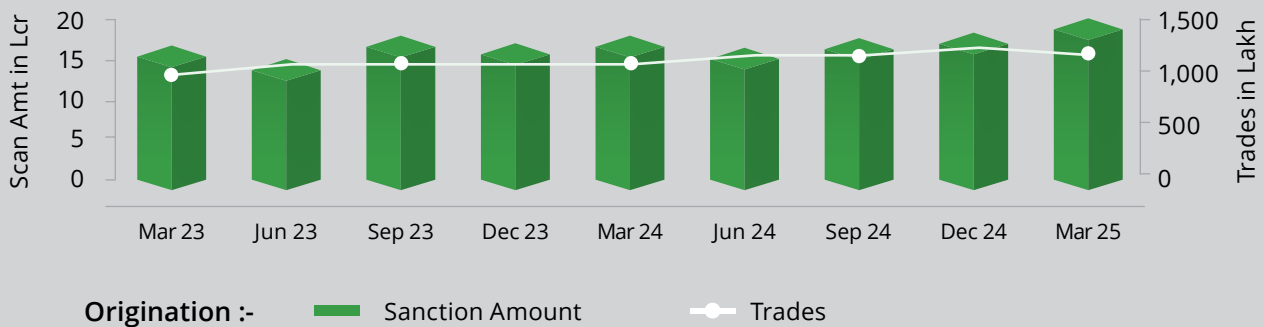
INDUSTRY | APR-25



Retail leading demand and supply

Retail Lending Overview - Supply

INDUSTRY | MAR-25



Source: TransUnion CIBIL commercial credit database | As per latest available report

Outlook

Retail lending in India is witnessing steady growth, driven by rising consumer demand and sustained lender confidence. The upward trend in inquiry volumes indicates a healthy appetite for credit, while consistent origination activity reflects the sector's stability and resilience. NeoGrowth's focus on digitised credit journeys, risk-calibrated underwriting, and deep engagement with small businesses has helped scale efficiently while addressing the evolving needs of the retail ecosystem. As

India moves toward becoming the world's third-largest consumer market by 2030, the outlook for retail credit remains promising. Over the years, NeoGrowth has consistently demonstrated its leadership in the retail lending segment and is well-positioned to capitalise on this shift by delivering innovative, inclusive, and impact-driven lending solutions that support entrepreneurship and enable long-term financial empowerment.



COMPANY OVERVIEW

Founded in 2013, NeoGrowth Credit Private Limited is a RBI-registered Middle Layer Non-Banking Financial Company (NBFC-ML) that has redefined lending for India's small businesses. As a new-age digital lender, we offer tailored financial solutions designed to address the evolving funding needs of MSMEs across the country.

As a founding member of the Digital Lenders Association of India, NeoGrowth has been a pioneer in leveraging digital payment data for credit assessment, helping promote financial inclusion among the unserved and underserved MSMEs.

As of March 31, 2025, our Assets Under Management (AUM) stood at ₹2,700 crore.

Financial highlights of FY 2024-25

Particulars	₹ in Crores	
	2024-25	2023-24
Revenue from Operations	749.01	599.23
Other Income	1.30	2.02
Total Income	750	601
Financial Costs	284	211
Net Interest Income	466	390
Operational Costs	163	137
Loan Losses and Provisions	280	150
Depreciation and Amortisation	10.7	7.7
Profit/(Loss) Before Tax	12	95
(Less) Tax Expenses/(Credit)	3	24
Net Profit/(Loss)	9	71

Net Worth & Key Ratios

Particulars	₹ in Lakhs	
	As of March 31, 2025	As of March 31, 2024
Net Worth	680	668
Debt/Equity Ratio	3.15	3.2
Capital Adequacy Ratio (%)	29.1	28.5
Operating Cost/ NIM (%)	37	37



RISK MANAGEMENT

Our Company operates within a dynamic regulatory and external environment and is exposed to a range of business risks, including credit concentration, strategic, liquidity, IT and cyber security, governance, and ESG-related risks. Recognising the complexity of these challenges, we have adopted a holistic risk assessment approach to proactively identify, evaluate, and mitigate potential exposures.

To ensure independence and objectivity in our oversight processes, we maintain dedicated Risk, Audit, and Compliance functions separate from business operations. This structure fosters strong internal

controls, maintains accountability, and prevents conflicts of interest between revenue generation and risk oversight.

Our risk management strategy is rooted in fostering organisation-wide risk awareness, deploying robust assessment and measurement methodologies, and maintaining continuous monitoring mechanisms. In line with regulatory expectations, our Internal Capital Adequacy Assessment Process (ICAAP) serves as a structured framework to identify, evaluate, and manage material risks that could impact our financial health and capital adequacy.

Tested Through the Cycle: Proven ability to manage disruptions across business and economic cycles

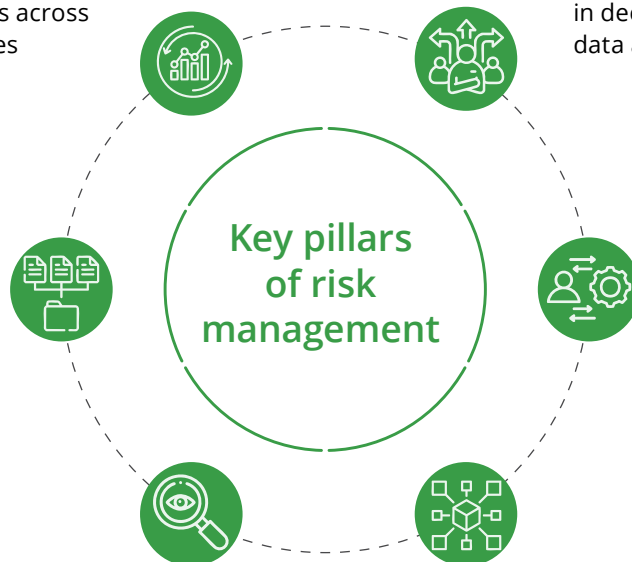
Decision Making: Objectivity in decision-making driven by data and analytics

Collection Infrastructure: Presence across all our locations with a well-defined, multi-channel collection strategy

Approach: Balanced integration of customer connect and data-driven processes

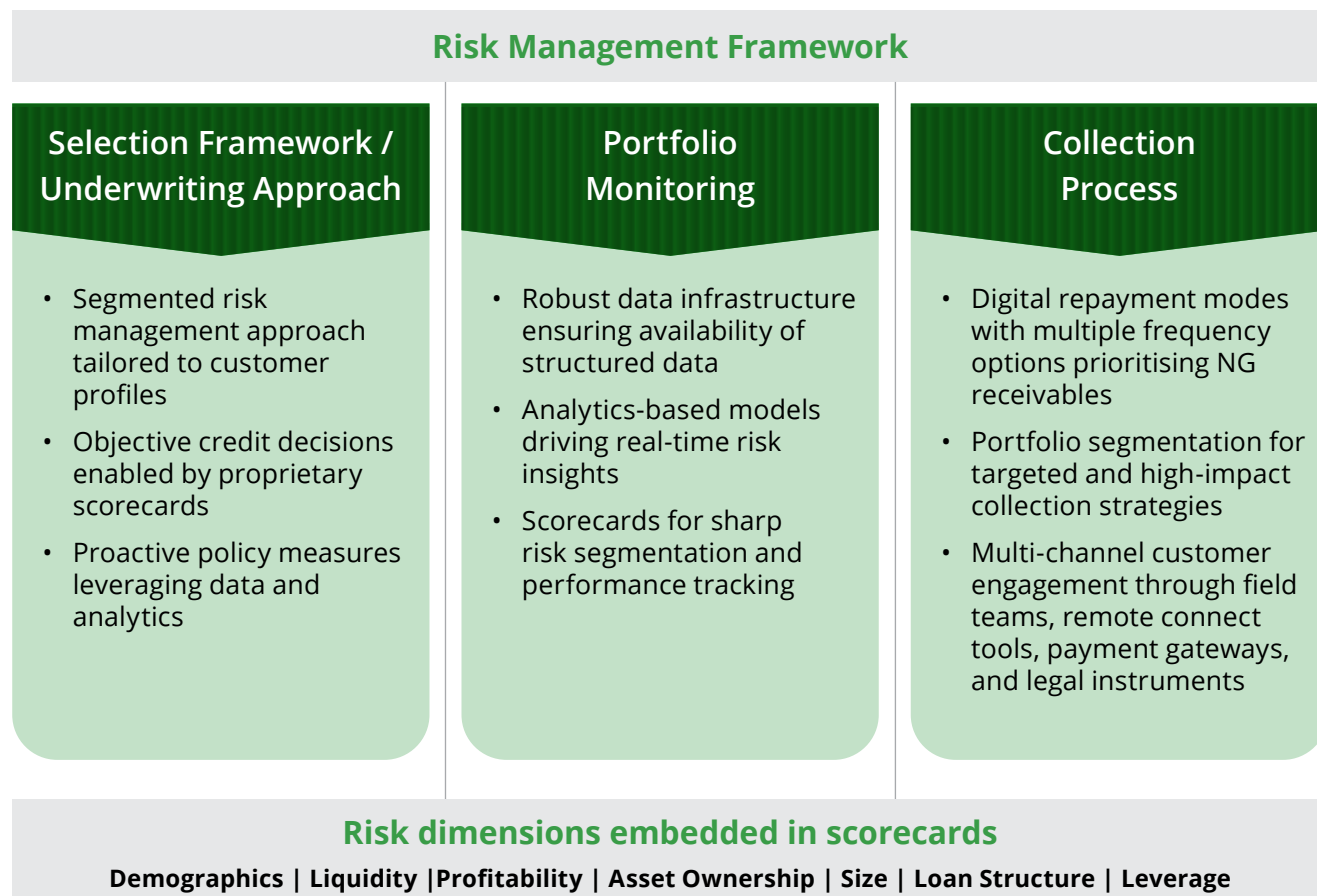
Monitoring: Early warning system enabling proactive risk management

Framework: Segmented and modular risk framework ensuring optimal risk-reward balance



Comprehensive risk management framework

In FY25, we further strengthened our risk management framework by enhancing both qualitative and quantitative assessment tools to stay ahead of potential defaults. Key initiatives included the use of digital underwriting tools for automated data retrieval from regulatory sources and customer footprints, scorecard-based credit decisions for modular risk selection, and real-time portfolio monitoring powered by analytics. We also introduced preventive and detective controls such as dual authorisation before disbursal and enhanced file reviews, significantly bolstering our operational risk safeguards.



We have institutionalized a technology and data-driven underwriting framework that balances automation with expert judgment, ensuring high-quality credit decisions with minimal subjectivity. The underwriting process is built on four pillars: credit bureau history, internal risk policies, proprietary scorecards, and qualitative customer interactions.

By streamlining processes and minimising human bias, NeoGrowth has scaled efficiently while maintaining strong portfolio quality. Strategic moves towards granular, secured lending and enhanced post-disbursal monitoring contributed to a year-on-year reduction in net NPAs, highlighting our robust credit discipline.

Collections are managed through a structured, behaviour-based strategy driven by Days Past Due (DPD) segmentation. With digital nudges, field engagement, and legal escalation aligned to delinquency buckets, we ensure timely interventions and effective recoveries. Tools like NeoCollect and InstaPay, combined with our

centralized contact center and in-house field force, enhance both reach and efficiency.

Fraud detection is deeply integrated across the customer lifecycle, from onboarding to disbursement. Our multi-layered controls including real-time verification, data-driven alerts, and compliance checks form a strong defense against financial fraud, preserving portfolio integrity and ensuring regulatory alignment.

Through this end-to-end risk management ecosystem, NeoGrowth continues to deliver responsible credit to MSMEs, while scaling sustainably and safeguarding asset quality.

Collection Analytics and Recovery Scorecard

We continue to leverage analytics across the credit lifecycle to closely evaluate a customer's repayment behavior. We remain focused on continuously assessing emerging business risks and strengthening our risk management framework to drive risk-calibrated growth and ensure long-term sustainability.

Corporate Governance

At NeoGrowth, we are committed to building a sustainable and future-ready enterprise rooted in ethical conduct and transparent practices. We believe robust corporate governance is essential for long-term success and stakeholder trust. Our approach is guided by the following principles:



Promoting fairness and transparency:

We uphold a culture that prioritizes fairness and transparency in our interactions with all stakeholders investors, employees, customers, and business partners.



Ensuring accountability:

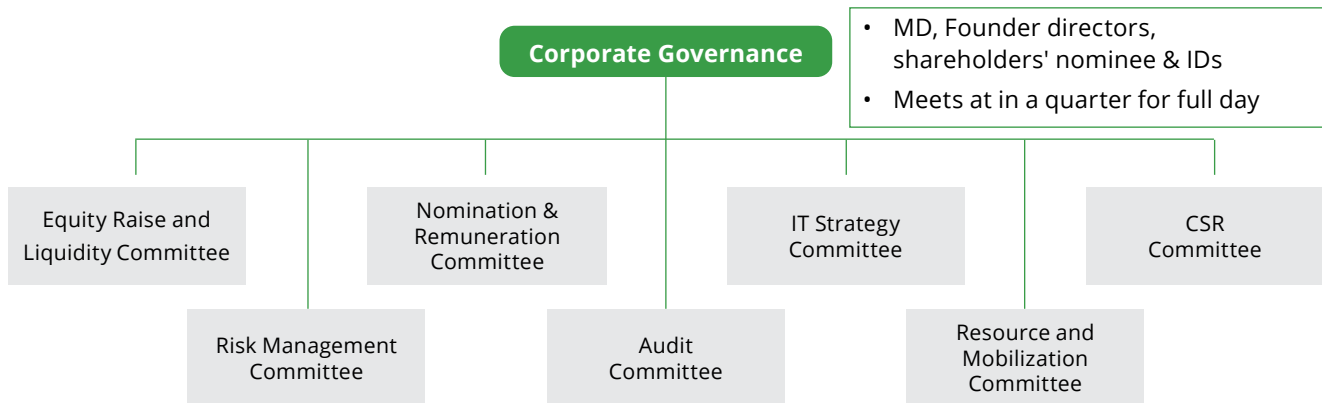
We are accountable for our actions and decisions, and consistently strive to uphold responsible and ethical business practices.



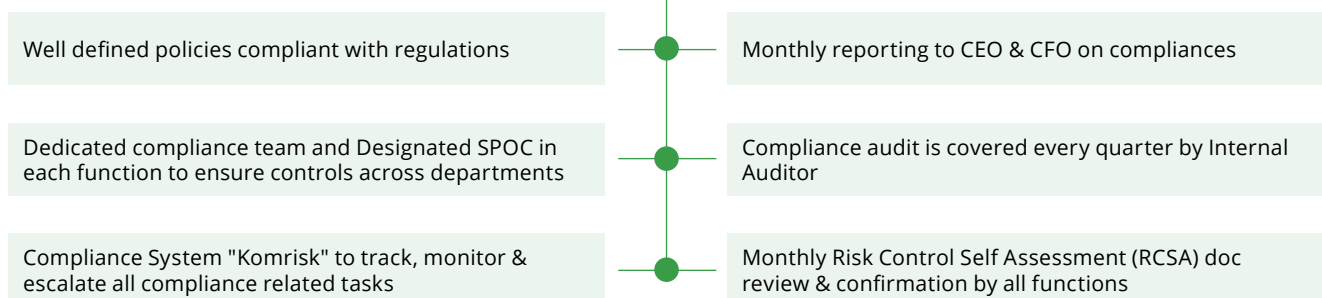
Adhering to core values:

Our values form the foundation of our operations and define the way we engage with stakeholders and conduct our business.

Corporate Governance



Compliance Framework



Compliance

Regulatory compliance is a key pillar of NeoGrowth's governance framework. We are fully aligned with the directives of the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), and other applicable legal frameworks. During FY 2024-25, we undertook focused efforts to align with enhanced regulatory guidelines, including:

- Revised RBI norms on income recognition, asset classification, and provisioning for advances
- New Master Directions on IT governance, outsourcing of IT services, and KYC norms
- SEBI's amendments to listing, disclosure, and non-convertible securities issuance regulations

In response, we:

- Implemented a Board-approved Compliance Policy
- Strengthened our Compliance Function with greater oversight and capacity
- Reviewed and upgraded internal processes to maintain rigorous regulatory alignment

Regulatory Landscape

We operate as a Middle Layer Non-Deposit Non-Banking Financial Company (NBFC-ML), registered with the Reserve Bank of India. This classification reflects our growing importance within the Indian NBFC ecosystem and our responsibility to uphold the highest regulatory standards. We comply with RBI's regulatory framework covering key areas such as:

- Capital adequacy norms
- Liquidity Risk Management (LRM)
- Corporate governance standards
- Asset classification and provisioning
- Know Your Customer (KYC) guidelines
- Fair practices in lending and collections

Our alignment with these regulations ensures stability, customer confidence, and long-term resilience of our business model.



ASSET LIABILITY MANAGEMENT

We follow a robust Liquidity Risk Management (LRM) policy governed by a Board-approved Asset Liability Management (ALM) framework. This structured approach helps protect the Company's financial health by:

Establishing a clear structure: The policy defines the organisational structure for LRM and ALM, ensuring clear lines of responsibility and accountability

Leveraging information systems: Dedicated LRM information systems facilitate the efficient collection and analysis of data crucial for risk assessment

Risk evaluation process: A well-defined process is in place to continuously evaluate liquidity and interest rate risks, enabling proactive mitigation strategies

The Asset Liability Committee (ALCO), appointed by the Board, actively manages the company's cash flow and borrowing needs. This is achieved by:

- Continuously monitoring market trends to assess liquidity levels and potential risks
- Maintaining a sufficient cash reserve to ensure smooth operations

- Regularly reviewing future borrowing requirements and seeking funding opportunities to optimise costs
- Matching future liabilities with expected inflows based on maturity dates to identify any potential gaps in funding

In line with its ALM framework, we have adopted well-documented policies and Standard Operating Procedures (SOPs) which govern its treasury activities. In addition, this is backed by a system of checks and balances as well as carrying out internal audits of the treasury department periodically to strengthen internal controls to safeguard against potential financial risks. The Company's in-house capabilities give it the ability to handle different types of borrowing instruments like External Commercial Borrowings (ECBs), Listed Non-Convertible Debentures (NCDs), Securitisation, and Direct Assignments. Therefore, this allows for strategic access to funding sources and optimisation of capital structure.

By implementing a comprehensive LRM framework and maintaining a culture of risk management, we demonstrated our commitment to financial prudence and long-term sustainability.



HUMAN RESOURCES

At NeoGrowth, we recognise that our people form the foundation of long-term stability and sustainable growth. In a rapidly evolving business environment, we remained focused on cultivating a culture rooted in continuous learning, inclusion, and well-being. Our people strategy is structured around a seven-pillar engagement model—Neo Connect, Neo Recognise, Neo Learn, Neo Benefit, Neo Celebrate, Neo Care, and Neo GiveBack—each designed to deliver purposeful, consistent, and holistic employee experiences.

During FY 2024–25, over 50+ initiatives were delivered under this framework. We advanced gender diversity, strengthened onboarding through personalised interventions like Neo Buddy and HR Mitra, and reinforced performance culture through recognition platforms such as Spot Awards, Culture Badge, and Wall of Fame. Our leadership programmes, including Catapult, Gurukul, and Leadership Path, supported role-readiness and future capability building.

NeoLearn—our integrated learning ecosystem—enabled access to over 22 modules, averaging 45 hours of training per employee. Functional and behavioural learning was delivered through platforms like Swadhyay, supported by gamified sessions and role-based simulations. These

learning pathways ensured employees remained future-ready and aligned to evolving business needs.

Employee well-being continued to be a key focus. Initiatives under Neo Care and Gyandhara promoted physical and mental health, supported by flexible work models and wellness tie-ups. Through Neo Benefit, employees received extended leave policies, financial planning tools, and insurance coverage tailored to life-stage needs.

Our HR function is enabled by digital tools such as Adrenalin (HRMS), HireSmart, LeMS, and Zoom, supporting end-to-end lifecycle management with efficiency and scale. The Employee Satisfaction Survey conducted during the year captured authentic sentiment around engagement, experience, and advocacy—informing action plans for continued improvement.

As on 31st March 2025, NeoGrowth had a total headcount of 735 employees, reflecting our steady growth and consistent investment in people capabilities. We remain committed to nurturing an inclusive, performance-driven, and values-led workplace—where people are empowered to grow, contribute, and thrive.



TECHNOLOGY AND INNOVATION

In an era where agility, precision, and customer centricity define business success, we emerged as a trailblazer, leveraging technology to redefine financial access for India's MSME sector. As a leading middle-layer NBFC registered with the RBI, NeoGrowth exemplifies how innovation and digital transformation can converge to deliver inclusive, efficient, and scalable financial solutions.



Driving growth through digital-first thinking

NeoGrowth's approach is rooted in a data science and technology-led strategy. With operations spanning over 25 cities and support extended to more than 1.5 lakh businesses, the company's ability to deliver fast, flexible credit is powered by a robust digital ecosystem and deep integration with public digital infrastructure.

From e-KYC to e-signatures and digital payment integrations, NeoGrowth ensures seamless customer journeys while enabling faster turnaround times and minimal manual intervention. Its tech stack, built on cloud-based architecture and proprietary algorithms, supports cost-effective, asset-light operations with scalability embedded at its core.



The NeoCollect App

NeoCollect is an in-house app developed to strategically drive collections momentum and provide insights to enable key business decisions. Integrated with cutting-edge tech features like intuitive dashboards, WhatsApp reminders, payment links, and NACH tracking, the app empowers field teams with real-time updates and actionable insights. The app has recorded over ₹ 154.5 Cr in collections and punched over 2.5 lakh visits, driving efficiency at scale. With a 118% reach in customer communications, it has significantly reduced friction in collections and improved turnaround time, reinforcing our commitment to tech-led customer convenience and operational excellence.



Insta Digital Journey

NeoGrowth's Insta Digital Journey marks a paradigm shift in how credit is extended to MSMEs. This end-to-end digital loan origination process offers a frictionless experience for loans up to ₹30 lakhs. With integrations including PAN verification, GST-based data auto-fill, Digilocker, live selfies, video PDs, and e-signatures, the platform has disbursed ₹657.7 crore to over 10,000 customers in FY 2024-25 alone.

Through pre-filled data fields, minimal documentation, and automated banking analysis using RPA, the Insta Digital Journey has enabled nearly 90% of customers to receive decisions within just three days proving that digital journeys can be both swift and secure.



Impact at scale

NeoGrowth's innovations are not limited to financial performance; they also reflect a commitment to sustainability and social impact. Through the Insta Digital Journey, the company saved 70 trees in FY 2024-25, underscoring the environmental benefits of digital processes. More importantly, by simplifying credit access for underserved MSMEs, NeoGrowth continues to drive financial inclusion and economic resilience at the grassroots level.



SUSTAINABILITY AND SOCIAL IMPACT

At NeoGrowth, we believe that financial inclusion and social responsibility are essential to our long-term success. While our core focus is on enabling small businesses through lending, we are equally committed to creating a meaningful social impact and supporting sustainable development across India. Through innovative digital solutions, we extend financial access to underserved MSMEs, helping them grow, generate employment, and contribute to economic vitality at the grassroots level.

Our efforts are aligned with the United Nations Sustainable Development Goals (SDGs), reinforcing our commitment to broader societal priorities such as gender equality, inclusive finance, and economic development. In line with this, we launched NeoShakti, our flagship CSR programme aimed at empowering women through skill development, financial literacy, and livelihood opportunities. By equipping women with the tools to build independent futures, NeoShakti marks a pivotal step in our social impact journey. Additionally, we also actively engage with NGOs and partner organisations to support them via cloth and blood donation drives.



INTERNAL CONTROLS

At NeoGrowth, we place the highest emphasis on corporate governance and have built a robust internal control framework to uphold integrity, accountability, and operational excellence. Our framework is designed to safeguard assets, maintain accurate records, and ensure the delivery of reliable information to all stakeholders. A well-structured organization, clearly documented policies, and regular audits help us maintain consistency, transparency, and ethical conduct in all business operations.

We continuously strengthen our internal controls through a combination of self-certifications and independent audits, using technology to monitor outcomes and refine processes. This ongoing focus enables us to proactively mitigate operational risks, including transactional errors and compliance issues.

Our multi-layered approach ensures that day-to-day operations align with established procedures, regulatory requirements, and internal guidelines.

Our commitment to strong internal checks is reflected in our focus on:

- Ensuring clarity, precision, and completeness in Standard Operating Procedures (SOPs)
- Monitoring adherence through:
 - Process-level self-certifications and third-party certifications such as ISO and ISMS
 - External audits conducted by reputable and experienced auditors
- Driving continuous improvement in processes and controls through strategic use of technology and performance monitoring

Through this disciplined approach, we reaffirm our dedication to maintaining the highest standards of governance and risk management across the organization.

Board's Report

Dear Shareholders,

Your directors have the pleasure of presenting the thirteenth Annual Report of your Company with the Audited Financial Statements for the Financial Year ended March 31, 2025.

1. Operational Highlights

The financial year 2024-25 has been very challenging for the company due to the adverse credit cycle. The growth in Assets under management (AUM) and profitability was severally impacted by the challenging environment. However, your company was still able to maintain and manage the AUM to ₹ 2,700 Crores with a Profit before Tax of ₹ 12 Crore. Despite subdued operating scale, the operating leverage for the company was stable during the financial year 2024-2025.

Your Company served the customers within the current geographical presence, by tapping more business from current customers as well as expanding the customer base within the present geographical locations. Your Company also offered new and existing products in the supply chain segment within these established geographies to ensure deeper relationships.

2. Financial Highlights

The financial statements of the Company for the year ended March 31, 2025, have been prepared in accordance with Ind AS and the revised Schedule III to the Act, as mandated by Ministry of Corporate Affairs (MCA).

The summarised financial results of the Company for the year ended March 31, 2025, compared with the previous financial year are as below:

Particulars	₹ in lakhs	
	FY2024-2025	FY2023-2024
Revenue from Operations	74,901	59,922
Other Income	130	202
Total Income	75,031	60,125
Finance costs	(28,419)	(21,119)
Operational Costs (including employee benefit cost)	(16,375)	(13,667)
Impairment of Financial Instruments	(27,954)	(15,034)
Depreciation and amortisation	(1,071)	(771)
Profit / (Loss) Before Tax	1,212	9,533
Tax Expenses / Credit	(310)	(2,397)
Profit / (Loss) After Tax	902	7137
Transfer to Reserve Fund u/s 45-IC of the RBI Act, 1934	180	1,427
Surplus carried to Balance Sheet	721	5,708

Particulars	₹ in lakhs	
	As of March 31, 2025	As of March 31, 2024
Net worth	68,029	66,778
Debt / Equity Ratio	3.15	3.20
Capital Adequacy Ratio (%)	29.07	28.48

The previous year's numbers have been restated, wherever required.

Networth excludes the "Other Comprehensive Income" which is shown as part of "Other Equity".

3. Change in the nature of business

During the year under review, there has been no change in the nature of business.

4. Amount carried to Statutory Reserves

During the year, the Company transferred ₹180 Lakhs (20% of the profit for the year) to Statutory Reserve created under Section 45-IC of the RBI Act, 1934

5. Dividend

During the FY 2024-2025, the Company has not declared or paid any dividend. The company has a policy on deploying the internal accruals for growth.

6. Business from Insurance as Corporate Agent

Your Company has been providing insurance products to the borrowers as a risk mitigation action to ensure recovery of dues in the unfortunate event of the death of the owner. Your company is an IRDA registered Corporate Insurance agent. Your Company follows norms as per Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015. Insurance coverage along NeoGrowth Loan is offered to the customer as a Value-added without any extra cost to the customer. The company does not earn any commission from the insurance partners. This initiative is also measured as a part of the NeoGrowth Impact Assessment exercise and aligns with UN SDG 3 which stands for Good Health and Well-being.

7. Change in Charter documents:

There was no change in the charter documents of the Company during the period under review.

8. Share Capital

During the year under review,

- a) there was no change in the paid-up share capital of the Company. As on 31st March 2025, the paid-up share capital is ₹ 93,37,02,260 divided into:
 - i. ₹18,00,07,000 comprising of 180,00,700 Equity shares of ₹ 10 each and
 - ii. ₹ 75,36,95,260 comprising of 7,53,69,526 0.01% CCPS of ₹ 10 each.
 - iii. The authorised share capital stood at ₹ 117,00,00,000 divided into ₹ 21,00,00,000 divided into 2,10,00,000 Equity shares of ₹ 10 each and ₹ 96,00,00,000 divided into 9,60,00,000 0.01% CCPS of ₹ 10 each.

9. Details of Subsidiaries/Joint ventures/ Associate Companies

The Company has no subsidiaries, JVs or Associate companies. Also, during the financial year under review, your Company has not incorporated any subsidiary or joint venture or associate Company.

10. Capital Adequacy

The Capital adequacy ratio of the Company is healthy at 29.07% as on March 31, 2025 (28.48% on March 31, 2024) as against minimum capital adequacy requirement of 15% as mandated by RBI.

11. Asset - Liability Management and Financial Leverage

The Company has a well-defined Liquidity Risk Management policy to address the risk of mismatch between assets and liabilities either due to liquidity or changes in interest rates. The Company's Asset-Liability Committee (ALCO), set up in line with the guidelines issued by the RBI, monitors asset-liability mismatches to ensure that the ALM is managed within RBI prudential norms and ALM policy as laid down by company.

- a) Your Company follows a conservative and prudent cash flow management policy. The Company borrows money for a longer tenor than the maturity of its assets and is supported by a conservative gearing ratio measured by Net Debt/Net worth. The Company raised fresh funding of ₹ 1,818 crore during the financial year 2024-25. The Cumulative positive mismatch as a percentage of cumulative outflow for ALM bucket up to 24 months at the end of March 31, 2025 remains at 29.61% which is over and above the internal threshold limit of 20%.
- b) Your company has always maintained a conservative ALM policy, by deploying longer tenor funds towards a relatively shorter maturity loan portfolio. As a result of this conservative practice, the company was largely unimpacted by the global economic uncertainties, increasing interest rate scenarios and geo-political issues and was able to maintain more than adequate liquidity for meeting its ongoing operating expenses, disbursement requirements and debt repayment obligations.
- c) As a prudent practice and recognising the risks of the business segment the Company operates in, the Company aims to operate with lower than market average levels of gearing on an ongoing basis. The gearing levels (measured by Net Debt/Net worth) were relatively conservative at 3.2 times as on March 31, 2025 (3.2 times as on March 31, 2024).

12. Debt Sourcing and Credit Rating

The Company raised fresh funding of ₹ 1,818 crore during the financial year 2024-25.

During the year, the marginal borrowing cost improved and Company was able to add 7 new lenders including 1 Public Sector banks. The company endeavours to raise debt funding at the most competitive cost possible.

Your Company's credit rating was upgraded during the year as follows:

- a. CARE revised the rating from CARE BBB-; Stable (Triple B Minus; Outlook: Stable) to CARE BBB; Stable (Triple B; Outlook: Stable) in August 2023 and CARE revised the rating from CARE BBB; Stable (Triple B; Outlook: Stable) to CARE BBB+; Stable (Triple B Plus; Outlook: Stable) in July 2024 and
- b. ICRA reviewed and reaffirmed the rating at ICRA BBB+ (Stable Outlook) in December 2024.

13. Classification as a Middle Layer NBFC

The Company continues to be classified as a Middle Layer, Non-deposit taking NBFC (NBFC-ML), for financial year 2024-25. This subjects your Company to enhanced regulatory oversight and reporting requirements, thereby creating a stronger culture of good governance within the Company.

14. RBI Guidelines, public deposits, and asset classification

Your Company has complied with all applicable regulations of the Reserve Bank of India (RBI). As per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, the Directors hereby report that the Company did not accept any public deposits during the year and did not have any public deposits outstanding at the end of the year.

15. Fair Practices Code

Your Company has in place a Fair Practice Code (FPC), which includes guidelines on the terms and conditions relating to receipt of loan applications from the prospective borrowers and processing thereof, sanction, monitoring and recovery of loans and other financial products being offered by it, the Grievances Redressal Mechanism in place etc. Fair Practices Code (FPC) Policy covers all the relevant requirements and is approved by the Board. Further, policy has been translated into 9 Vernacular languages, apart from English version, as per location presence of the Company. The said policy is available on the website of the Company at the URL: <https://www.neogrowth.in/company-policies>

16. Vigil Mechanism/Whistle Blower:

The Company has a whistle-blower policy in place as part of the vigil mechanism for reporting genuine concerns by any stakeholder about any other one. The policy displayed on the website of the Company also provides safeguards against victimization of stakeholders can be accessed at <https://www.neogrowth.in/company-policies>.

During the financial year under review, there was one Whistle blower complaint received by the

Company in Vijayawada branch on July 12, 2024 for the quarter ended September 30, 2024. Pursuant to the Whistle Blower Policy, the summary of incidents investigated and actioned upon was reviewed by the Audit Committee. On the basis of recommendations/suggestions received from the audit committee, the management has taken necessary actions to report the said incident.

17. Human Capital

In financial year 2024–25, your Company took bold steps to strengthen its people strategy—treating talent not as a support function, but as a core business driver. The focus remained clear: bring in the right people, set them up for success, and create a culture where high performance and accountability thrive.

As of March 2025, the Company had a team of 735 employees. Hiring efforts were intentional—prioritising talent aligned with NeoGrowth's values and growth ambitions. The organisation invested in capabilities that matter, building teams that are agile, skilled, and ready to deliver.

To drive engagement and development in a more structured and meaningful way, your Company activated a seven-pillar framework: Neo Connect, Neo Recognize, Neo Learn, Neo Benefit, Neo Celebrate, Neo Care, and Neo GiveBack. Grounded in teamwork, integrity, trust, and openness, these pillars supported over 51 focused people initiatives throughout the year—each one designed to increase impact.

These initiatives are shaping a culture where employees aren't just showing up—they're growing, contributing, and moving the business forward.

i. Initiatives for Talent Acquisition and smooth employee onboarding:

- Talent acquisition has been a top priority for your Company, evolving continuously to attract the best talent in the market. We've focused on securing the right talent at optimal cost by leveraging our Neo Ambassador programme and direct hiring efforts, as well as fostering employee referrals. At the same time, your Company has created clear career development pathways for in-house talent through Internal Job Postings, empowering employees to grow across functions and seize new opportunities.
- Your Company remains committed to a zero-discrimination hiring policy, ensuring that every hiring decision is made with fairness and integrity. We're proud to share that nearly 90% of our talent acquisition in financial year 2024–25 was sourced

internally, underscoring the strength of your Company's internal talent pipeline and our focus on nurturing homegrown leaders.

- Promoting gender diversity continues to be a core priority. This is supported through initiatives like the 'Second Career for Women' programme, which helps make your workplace more inclusive and supportive of women returning to the workforce. This year your company had 5 women joined under this programme
- Once a candidate accepts an offer, your Company ensures a seamless and welcoming experience from day one. From the Welcome Kit to an assigned NeoBuddy and comprehensive inductions through 'Prarambh' and 'Gurukul', your Company makes sure new hires feel supported and engaged throughout the onboarding process and set them up for success in their roles.
- Building a strong internal leadership pipeline is a key focus. The Catapult Management Trainee Programme, continues to attract top talent from premier B-schools. Following the successful placement of the first batch into key functions at the Head Office, your Company has continued this programme in financial year 2024-25 to deepen its bench of high-potential future leaders, ready to take on the challenges ahead.

ii. People Connect Initiatives:

- Neo Connect continues to be a powerful driver of employee engagement at your Company. Programmes like quarterly Webinars with the MD & CEO, Leadership Connect sessions, and 'Samvaad' HR Connect provide direct, transparent communication between leadership and employees, creating a culture of openness and trust. The structured 4-3-2 outreach programme has been instrumental in helping new joiners integrate quickly and effectively, ensuring they feel connected and supported right from the start. Additionally, informal groups like 'Abhiruchi'—focused on areas like sports, arts, and fitness—are creating organic connections across teams, turning shared interests into a foundation for collaboration and camaraderie.
- Under Neo Celebrate, your Company has continued to embrace employee delight initiatives with a focus on making every milestone feel personal. National festivals,

employee birthdays, and company milestones are celebrated with thoughtful gestures, ensuring employees feel valued. Work anniversaries and birthdays—both of employees and their families—are acknowledged with personalised mailers, making the celebrations more meaningful.

- To keep the energy high, Fun Friday activities, quarterly team outings, and Thank You days have become key touchpoints for fostering unity and fun within teams. Special days like Women's Day, World Environment Day, World Earth Day, and International Yoga Day were marked with engaging contests, guest talks, and activities that not only celebrate these occasions but encourage participation and reflection. A surprise gesture such as gifting all women employees on Women's Day and personalising caricatures for team members was met with enthusiastic appreciation, reinforcing the Company's commitment to showing genuine care for its people.

iii. Reward and Recognition initiatives:

- At your Company, the approach to performance evaluation is merit-based designed to ensure individual goals are closely aligned with the organisation's strategic vision. Exceptional performance is distinctly recognised and rewarded through our appraisal system. The Neo Recognise platform plays a key role in celebrating both mid-management and individual contributors, with initiatives like Employee of the Month, Value Champion Award, Spot Award, Most Valuable Player Award, Branch-wise Wall of Fame, and the Culture Badge. These programmes aren't just about recognition they're about reinforcing the core values that make your Company stand out, while fostering a culture of consistent appreciation.
- Recognition also extends to the Neo-Buddies—those employees who go above and beyond to ensure new hires feel supported and integrated into the Company culture from day one. Additionally, to fuel ideation and innovation—both core to your Company's DNA—Neoldeas forums and engaging contests have encouraged employees at all levels to bring their best ideas forward. These initiatives are key to reinforcing a performance-driven, innovative, and continuously improving culture.

iv. Learning & Development Initiatives:

- Under the umbrella of the NeoLearn platform, Your Company leverages robust in-house Learning & Development (L&D) expertise, with a strong emphasis on consistent and mandatory compliance training. A comprehensive capability-building framework has been established, featuring over 22 structured training programmes and e-learning modules spanning Soft Skills, Functional, and Compliance categories.
- To drive digital learning, your Company offers a mobile app-based L&D platform alongside the scalable Swadhyay Learning Management System (LeMS), enhancing accessibility and learner engagement. On average, each employee receives 40 hours of training annually.
- Beyond internal programmes, employees are actively encouraged and sponsored to attend external workshops and conferences to stay updated on evolving industry trends. Learning is also designed to be engaging and immersive, with elements like movie-based sessions, gamification, and strategy game simulations integrated into select programmes.
- To nurture future leaders from within, your Company continues its flagship Catapult Management Trainee Programme, onboarding talent from premier institutions and placing them in key strategic roles. Additionally, employees have access to part-time MBA sponsorship opportunities, supporting both their professional development and long-term career growth.

v. Initiatives for employee healthcare and giving back to society:

- Employee Safety, Health, and Well-being remain paramount priorities for your Company, underscored by initiatives within Neo Care aimed at promoting employee health and safety. 'Gyandhara' expert talk sessions covering topics such as Stress Management, Diet and Nutrition, Yoga and Meditation are organised to foster well-being, alleviate stress, and cultivate positivity in the workplace.
- In alignment with our commitment to positive Social Impact, under NeoGiveBack, your Company has installed Cardio-Pulmonary Resuscitation - Automated

External Defibrillator (CPR — AED) devices at its Head Office, complemented by suitable training for CPR marshals. Additionally, initiatives such as blood donation camps, NGO stalls for fundraising for social causes, old clothes donation drives and support for plantation drives on employees' birthdays are conducted. With books donated by employees, we've established an in-house employee library named 'Pustak-kosh' at multiple locations, featuring bestselling management and self-development titles. Furthermore, a dedicated 'Abhiruchi' group fosters dialogue and interaction among employees on CSR initiatives, reflecting our collective commitment to making a positive difference in society.

vi. Employee Benefits:

- Under Neo Benefit, your Company offers a diverse range of employee benefits designed to enhance well-being and support financial planning. Employees have the option to participate in Voluntary Provident Fund (VPF) and National Pension System (NPS), and your company has introduced a Car Lease policy applicable to employees in VP and above grades, providing avenues for financial planning and tax savings. Moreover, policies such as salary payments on the 25th of each month, Pink Day (a monthly Work from Home option for women employees), Creche tie-ups, and Gift cheques to commemorate significant milestones like marriage and childbirth underscore our commitment to employee well-being.
- Additionally, your Company has Compensatory Off policy, alongside Privilege Leaves, Maternity Leave, Paternity Leave, and Bereavement Leave. Standard Medclaim coverage for families, term cover, and accident cover are provided, supplemented by tie-ups offering discounts on medical tests, doctor consultations, medications, and free basic health check-up camps, ensuring comprehensive employee engagement and well-being. Furthermore, Voluntary Parents Medclaim is facilitated to employees at corporate rates, further augmenting our commitment to employee welfare.

18. Corporate Social Responsibility

Pursuant to the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility)

Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. As part of its initiatives under CSR, the Company has identified projects which are implemented on the recommendation of CSR Committee and further approved by the Board. These projects are in accordance with Schedule VII of the Act. The Policy on Corporate Social Responsibility is available on the website of the Company viz. <https://neogrowth.in/company-policies>

The Annual report on CSR activities containing detailed information on CSR policy, salient features and CSR projects undertaken during financial year 2024-25 along with the composition of Committee is provided in Annexure-1

19. Customer Service/Retention Measures

The Customer experience journey enhancement and Customer engagement has been one of the focus areas for the Company in financial year 2024 -25. All the touch points starting from the onboarding to the exit of the customer have been developed in the communication and customer app workflows in addition to the existing channels of calls and emails support. We have developed integrated workflows in the onboarding journey where the customer information gets captured after validating and verifying with the relevant authorities and thereby reduces the data entry requirements from the customer. Similarly easy repayment options, access to the required customers loan documents, self-help options on information on the loan account and raising a query or request to the helpdesk - all these features are LIVE on the customer app. These initiatives have increased the usage of the customer app by our customers thereby reducing the inflow of queries and requests to the customer service teams. As a part of the engagement strategy, we are in the process of enhancing the customer communication platforms using WhatsApp mode of communication. The renewal strategy for our customers is also revamped and more emphasis is being given on auto renewal workflows, where with a minimal document and information requirements, NeoGrowth can retain the customer by renewal or top up of the existing loan.

20. Material changes and commitments affecting the financial position of the Company

There have been no such material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2025 and the date of the report.

21. Risk Management Policy

NeoGrowth has adopted comprehensive Risk Management Policies and Practices to proactively identify, assess, monitor, and mitigate risks impacting key business objectives. Major risks are systematically addressed through ongoing mitigating actions, supported by Automated Reports and Analytics.

Key Highlights:

- **Robust Framework:** Built on a deep understanding of various risks, with thorough assessment and diligent monitoring to stay ahead of challenges.
- **Regulatory Compliance:** Commitment to strong risk management practices and full regulatory compliance, with continuous risk evaluation and advanced risk analysis tools.
- **Portfolio Management:** Focus on quality by mitigating concentration risks and emphasising diversification to meet MSME customer needs.
- **Product Innovation:** Continuous enhancement and development of products using technology, market analysis, and customer engagement.
- **Advanced Analytics:** Utilisation of analytics for transaction monitoring, portfolio quality assessment, and a scorecard-based credit decision-making process.
- **Policy Refinement:** Regular capture, analysis, and reporting of risk exposures, with continuous evaluation and refinement of scorecard models.

This approach ensures NeoGrowth remains proactive in managing risks and maintaining a thoughtful lending strategy.

22. Details of Loans, Guarantees or Investments

In terms of Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014 NBFCs registered with the RBI are excluded from the applicability of Section 186 of the Act, 2013, where the loans, guarantees and securities are provided in the ordinary course of its business.

Details of Loans, Guarantees and Investments are given in the notes to the Financial Statements.

23. Details of contracts or arrangements with related parties referred to in Section 188

All Related party transaction (RPTs) that were entered into during financial year 2024-25 were on an arm's length basis and in the ordinary course of business and disclosed in the Financial Statements. There were no materially significant RPTs made by the

Company with Directors, KMPs or body corporate(s), which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of RPTs as required under the provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

24. Directors and Key Managerial Personnel:

The Company's Board lays down the strategic objectives of the Company and guides the management in meeting the governance requirements and interests of the shareholders.

As on March 31, 2025, the Board of Directors (the "Board") of your Company comprises of 9 (nine) Directors comprising of a Managing Director & Chief Executive Officer and 8 (eight) Non-Executive Directors including [2 (two) Independent Directors].

As on March 31, 2025, Mr. Arun Kumar Nayyar, Managing Director & Chief Executive Officer, Mr. Deepak Nath Goswami, Chief Financial Officer ('CFO') and Mr. Rohit Rai, Company Secretary are the Key Managerial Personnel (KMPs) of the Company in accordance with the provisions of Section 203 of the Act.

25. Change in Directors & Key Managerial Personnel

The following changes have taken place in the composition of the Board & Key Managerial Personnel, during the financial year 2024-25:

1. Ms. Bindu Ananth (DIN:02456029) was reappointed as Independent Director of the Company for the second term of 5 Years at the Annual General Meeting held on June 10, 2024.
2. Ms. Deepa Bachu (DIN: 07397729), representative of FMO, as Nominee Director of the Company, resigned from the Board w.e.f close of business hours on July 31, 2024.
3. Ms. P.H Vijaya Deepti (DIN: 08125456), was appointed as an Additional Director, representing as Nominee Director of FMO, w.e.f September 09, 2024.
4. Ms. Tanushri Yewale (Membership No: A31273), has resigned from the position of Company Secretary of the Company w.e.f July 17, 2024.
5. Mr. Rohit Rai (Membership No. A35505) has been appointed as the Company Secretary of the Company w.e.f December 31, 2024.

Post Financial Year under review:

1. Mr. Michael Jude Fernandes (DIN:00064088) representing Trinity Inclusion Limited as Nominee Director, resigned from the Board

w.e.f April 02, 2025. The Board places on record their appreciation for the assistance and guidance provided by him during his tenure as Director of the Company.

2. Mr. Pranav Kumar (DIN: 07896173) representing Trinity Inclusion Limited) appointed as an Additional Director of the Company through Circular resolution on April 23, 2025.

26. Meetings of the Board

During the financial year 2024-25, the Board duly met 6 times on:

Sl. No.	Date of Board Meeting
1.	May 13, 2024
2.	August 08, 2024
3.	November 08, 2024
4.	December 11, 2024
5.	December 31, 2024
6.	February 07, 2025

The time gap between the two Board Meetings was less than 120 days with at least one meeting being held every quarter.

The Board has constituted statutory Committees as required under applicable laws. The details of the same is provided in the Corporate Governance Report enclosed as Annexure-2

27. Declaration by Independent Directors

Both the independent directors of the Company have submitted a declaration of independence, stating that they meet the criteria of independence provided under section 149(6) of the Act, as amended. They also confirmed compliance with the provisions of rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of independent directors.

The Board took on record the declaration and confirmation submitted by the independent directors regarding them meeting the prescribed criteria of independence.

28. Declaration by the Board on the Independent Directors

In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and possess the requisite integrity, expertise and experience, including the proficiency expected from the Independent Directors appointed on the Board.

29. Directors' Responsibility Statement

As required under Section 134 of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

30. Conservation of Energy, Technology Absorption

Your Company is in the Service Industry wherein the consumption of Energy in its operation is not substantial. However, all necessary steps are taken to conserve energy wherever possible. The Company continues its emphasis on innovation and technology improvement at all levels.

31. Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year was NIL and the Foreign Exchange outgo during the year in terms of actual outflows was ₹ 122 crores including ₹ 116 crores for repayment of principal and interest payment on External Commercial Borrowings.

32. Details of Employees & Employees Stock Option Plan

Employees Stock Option plan is in compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 and Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014. An Annexure disclosing the details of the ESOP is annexed herewith as Annexure-3.

33. Maintenance of Cost Records

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

34. Disclosure under Sexual Harassment of Women At workplace (Prevention, Prohibition and Redressal) Act 2013.

Your Company has made sure the workplace is safe and harassment free for every woman working in Company's premises through various intervention and practices.

A policy on prevention of sexual harassment at workplace is in place and Sexual Harassment Redressal Committee (SHRC) is formed under the policy to monitor and act on cases reported. This policy aims at preventing harassment and lays down the guidelines for identification, reporting and prevention of undesired behaviour. No complaints were received by the Company in this regard.

35. Reporting of Frauds

Pursuant to RBI Master Direction on Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016, the Company is required to report all frauds to RBI. Further, the Company is required to have a policy/ mechanism for dealing with frauds. Pursuant to the Direction and Policy, the Company is required to report all frauds of ₹ 1 Lakh and above to the Board and ₹ 1 crore and above to the Audit Committee on their detection.

During the year under review, instance of fraud were detected at Vijayawada branch and reported by the Management to the Audit Committee as per the RBI Directions. Among other things, details reported included modus operandi, amount involved, identity of the perpetrators of fraud, action taken against them and remedial actions taken to mitigate the risk. Further, the same was also reported to RBI and Statutory Auditors. Statutory Auditors, in turn, have also brought these cases to the attention of the Audit Committee pursuant to circular issued by National Financial Reporting Authority ('NFRA') dated June 26, 2023 and reported the same to the Central Government by submission of form ADT-4

pursuant to section 143(12) of the Companies Act, 2013 & rules made thereunder. The amount involved in the fraud was approximately ₹ 456 Lakhs.

The Company has taken necessary actions including investigation, detective control, introduction of Credit Quality Unit (CQU) & Risk Quality Unit (RQU), established Business Control units (BCU), Strengthened the existing system controls for underwriting and appointment of Independent Specialist Agency for one time Fraud Risk Assessment, Governance Advisory and specific support to complement investigation.

36. Secretarial Standards of ICSI

The Company has complied with the requirements prescribed under the Secretarial Standards on meetings of the Board of Directors (SS-1) and General Meetings (SS-2) read with the MCA circulars.

37. Statutory Auditors

M/s Khimji Kunverji and Associates LLP (KKC & Associates LLP) FRN: 105146W/W100621 was appointed as the Statutory Auditors of the Company by the Members in their Annual General Meeting held on June 10, 2024, to hold office from the conclusion of 31st Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Company (as the tenure of 3 years prescribed by RBI), pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof).

The Statutory Auditors Report on the financial statements for the financial year 2024-25 does not contain any qualification, reservation, or adverse remark.

38. Secretarial Auditors

M/S. Sachin Dedhia & Associates, Practicing Company Secretary (Membership number A20401, COP 9427) were appointed as the Secretarial Auditors to conduct the Secretarial audit of the Company for financial year 2024-25, as required under section 204 of the Companies Act 2013 and rules thereunder.

The Secretarial Audit Report in Form MR-3 as required u/s 204 of the Companies Act, 2013 is

attached as Annexure-4 & forms part of this Report and has no observations, qualification, reservations, adverse remarks or disclaimers.

39. Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for Prevention of Insider Trading and fair trading of Unpublished Price Sensitive Information (Code), as approved by the Board is in force by the Company as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The said code is available on the Company's website at https://www.neogrowth.in/pdf/company-policies/SEC_POL_13-Prohibition-of-Insider-Trading-Code_Version-1.pdf. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees, their relatives and other connected employees from trading in the securities of the Company at the time when there is access to Unpublished Price Sensitive Information (UPSI).

40. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on March 31, 2025 will be available on the Company's website at <https://www.neogrowth.in/annual-return/> once it is filed with the Ministry of Corporate Affairs.

41. Acknowledgment

Your directors would like to place on record their gratitude for the valuable guidance and support received from the valued customers, members, lenders, and Bankers. The Directors also recorded their appreciations of all the employees of the Company for their continued commitment, dedication and delivering their responsibilities. We place on record our thanks to Regulatory authorities for their valuable guidance and support.

For and on behalf of the Board of Directors

Mr. Piyush Kumar Khaitan

Chairman

DIN: 00002579

ANNEXURE-1

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and as per Rule 8 (1) of Companies (Corporate Social Responsibility)

1. Brief outline on CSR Policy of the Company.

The Company aims at conducting its business in a way that the Company achieves its business goals and objectives with a due consideration of community's economic, environmental and social aspirations and therefore commits to integrate Corporate Social Responsibility ('CSR') with its business processes.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Arun Kumar Nayyar	Chairperson	3	3
2.	Mr. Piyush Kumar Khaitan	Member	3	3
3.	Ms. Bindu Ananth	Member	3	2
4.	Ms. Deepa Bachu [^]	Member	Not Applicable [^]	Not Applicable [^]
5.	Ms. P. H. Vijaya Deepti	Member	2	2

[^]During the tenure of Ms. Deepa Bachu no meeting was held.

Notes:

- During the F.Y.2024-2025, the CSR Committee was re-constituted to include Mr. Piyush Kumar Khaitan as the member of the Committee w.e.f. May 13, 2024.
- Further pursuant to the resignation of Ms. Deepa Bachu w.e.f. July 31, 2024, and appointment of Ms. P. H. Vijaya Deepti the CSR Committee was re-constituted w.e.f. September 09, 2024.
- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.
Link: <https://ng.neogrowth.in/csr/>
- Provide the executive summary along with web link of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).
Not Applicable
- Average net profit of the company as per section 135(5)- ₹ 20,33,50,000/-
 - Two percent of average net profit of the company as per section 135(5) - ₹ 40,67,000/-
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NIL
 - Amount required to be set off for the financial year, if any -NIL
 - Total CSR obligation for the financial year [(b)+(c)-(d)]- ₹ 40,67,000/-
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 40,67,000/-
 - Amount spent in Administrative Overheads Not Applicable
 - Amount spent on Impact Assessment, if applicable Not Applicable
 - Total amount spent for the Financial Year [(a)+(b)+(c)].: ₹ 40,67,000/-
 - CSR amount spent or unspent for the Financial Year: ₹ 40,67,000/-

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
40,67,000	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(f) Excess amount for set off, if any: No excess amount spent

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	20,33,50,000
(ii)	Total amount spent for the Financial Year	40,67,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

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

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

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration No. if applicable	Name	Registered Address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

Mr. Piyush Kumar Khaitan
Chairman
DIN: 00002579

Mr. Arun Kumar Nayyar
Managing Director & Chief Executive Officer
and Chairman of CSR Committee
DIN: 06804277

ANNEXURE-2

CORPORATE GOVERNANCE REPORT

PART A

(Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

NeoGrowth recognises its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, Regulators, and all other stakeholders. The activities of NeoGrowth are carried out in accordance with good corporate practices and the Company is constantly striving to improve them and adopt the best practices. The philosophy of NeoGrowth on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices.

The Corporate Governance philosophy has been strengthened with the implementation of Code of Conduct applicable to the Employees/Directors.

PHILOSOPHY

The commitment of NeoGrowth to the highest standards of good corporate governance practices predates the Listing and other Corporate Regulations. Ethical dealings, transparency, fairness, disclosure and accountability are the main thrust on which NeoGrowth works.

NeoGrowth is committed to maintaining a high standard of corporate governance in complying with Company's Corporate Governance policy which is made as per regulatory requirements pertaining to Corporate Governance as prescribed in "Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023", updated from time to time. Your Company, practices trustworthy, transparent, moral and ethical conduct, both internally and externally, and is committed towards maintaining

the highest standards of Corporate Governance practices in the best interest of all its stakeholders. A detailed report on the Company's commitment at adopting good Corporate Governance Practices is given below:

BOARD OF DIRECTORS

The Corporate Governance principles of the Company ensure that the Board remains informed, independent and provides guidance to the Company. Further, the Board is fully aware of its fiduciary responsibilities and recognises its responsibilities to stakeholders to uphold the highest standards in all matters concerning NeoGrowth. All the Directors of the Company are well qualified persons of proven competence and possess the highest level of personal and professional ethics, integrity and values. The Directors exercise their objective judgment independently. The Board is committed towards representing the long-term interests of its stakeholders. The Board members actively participate in all strategic issues which are crucial for the long-term development of the organisation.

COMPOSITION

The size of the Board is commensurate with the size and business of the Company. As on March 31, 2025, the Board comprises of 1 (one) Executive Director and 8 (eight) Non-Executive Directors including 2 (two) Independent Directors. The Chairman of the Company is a Non-Executive Director. During the F.Y. 2024-2025, Ms. Deepa Bachu resigned from the Board w.e.f. July 31, 2024, and the Board was reconstituted.

As per Section C of the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the details of the core skills/ expertise/competence possessed by the Directors of the Company as on March 31, 2025, is detailed as given below:

Name of Director	Designation	Areas of Expertise
Mr. Piyush Kumar Khaitan	Non-Executive Founder Director & Chairman	Financial services and Digital Lending
Mr. Dhruv Kumar Khaitan	Non-Executive Director & Founder	Financial Services, Information Technology ("IT")
Mr. Arun Kumar Nayyar	Managing Director & CEO	Financial Services, Risk and Product Management and Digital lending
Mr. Ganesh Venkateshwara Rengaswamy	Non-Executive – Director (Minority Shareholder Director)	Financial services and Micro Finance
Ms. Bindu Ananth*	Non-Executive - Independent Director	Financial services and Micro Finance
Mr. Suresh Jayaraman	Non-Executive - Independent Director	Apparel & Textile Industry domain, FMCG Industry domain, Marketing, Business Strategy & Corporate Planning

Name of Director	Designation	Areas of Expertise
Mr. Ramakrishnan Subramanian	Non-Executive - Nominee Director	Accounting and Finance, Corporate Governance & Compliances and Risk Management system
Ms. P.H. Vijaya Deepti [#]	Non-Executive - Nominee Director	Information Technology ("IT") and Global BFSI
Mr. Micheal Jude Fernandes [^]	Non-Executive - Nominee Director	Financial services, Healthcare and Infrastructure

Notes:-

* Ms. Bindu Ananth was re-appointed as Independent Director of the Company for the second term of 5 Years at the Annual General Meeting held on June 10, 2024.

[#]Ms. P. H. Vijaya Deepti was appointed w.e.f. September 09, 2024.

[^]Mr. Micheal Jude Fernandes resigned w.e.f. April 02, 2025.

As per Master Direction DNBR. PD. 008/03.10.119/2016-17 dated 1st September 2016 and any amendment made thereof, the Fit and Proper criteria in selection and appointment of Directors has been duly followed by the Company.

The Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Section 149(6) of the Companies Act, 2013 and these confirmations have been placed before the Board. None of the Directors of the Company are inter-se related to each other. In the opinion of the Board, Independent Directors fulfil the conditions required for Independent Directors as per the provisions of the Companies Act, the SEBI (LODR) Regulation 2015 and all other applicable laws and are independent of the management.

NUMBER OF MEETINGS OF THE BOARD

The Company holds a minimum of four pre-scheduled Board meetings annually, one in each quarter. As a matter of good governance, the dates of the Board meetings are fixed in advance for the full calendar year to enable maximum attendance and participation from all the Directors. The relevant background materials of the agenda items are distributed well in advance of the meetings. All material information is presented for meaningful deliberations at the meeting. The Board on a continuous basis reviews the actions and decisions taken by it and by the Committees constituted by it.

Name of Director	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Piyush Kumar Khaitan	Non-Executive Founder Director & Chairman	6	5
Mr. Dhruv Kumar Khaitan	Non-Executive Director & Founder	6	6
Mr. Arun Kumar Nayyar	Managing Director & CEO	6	6
Mr. Ganesh Venkateshwara Rengaswamy	Non-Executive – Director (Minority Shareholder Director)	6	3
Ms. Bindu Ananth [*]	Non-Executive - Independent Director	6	6
Mr. Suresh Jayaraman	Non-Executive - Independent Director	6	3
Mr. Ramakrishnan Subramanian	Non-Executive - Nominee Director	6	6
Ms. P.H. Vijaya Deepti [#]	Non-Executive - Nominee Director	4	4
Mr. Micheal Jude Fernandes [^]	Non-Executive - Nominee Director	6	6
Ms. Deepa Bachu [§]	Non-Executive - Nominee Director	1	1

Notes: -

[^]Mr. Micheal Jude Fernandes resigned w.e.f. April 02, 2025

[§]Ms. Deepa Bachu resigned w.e.f. July 31, 2024

[#]Ms. P. H. Vijaya Deepti was appointed w.e.f. September 09, 2024

*Ms. Bindu Ananth was re-appointed as Independent Director of the Company for the second term of 5 Years at the Annual General Meeting held on June 10, 2024

During the F.Y. 2024-25, the Board met 6 times on 13.05.2024, 08.08.2024, 08.11.2024, 11.12.2024, 31.12.2024 and 07.02.2025 and the gap between the two meetings did not exceed 120 days.

ATTENDANCE RECORD OF DIRECTORS

The Company ensures attendance of each director either physically or through audio-video means so that there is full participation by all the Members of the Board.

REMUNERATION TO THE DIRECTORS

The remuneration paid to the Directors is approved by the Nomination and Remuneration Committee and the Board and is akin to the industry practices. No sitting fees is paid to any Director. The Company has formulated a Nomination and Remuneration Policy which is in line with the regulatory requirements. The details of the remuneration paid to the Directors is provided in the Notes to Accounts. The details of the remuneration paid to the Directors for F.Y.2024-2025 is also mentioned in the Annual Financial Statements applicable to NBFC-ML and NBFC-UL in Part-B pursuant to the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

The Company follows a transparent process for determining the remuneration of NEDs. Their remuneration is governed by the role assumed, active

participation in strategic decision making and inputs to executive management etc. Besides these, the Board also takes into consideration the external competitive environment, track record, individual performance of such Directors and performance of the Company as well as the industry standards in determining the remuneration of NEDs including Independent Directors.

COMMITTEES OF THE BOARD

Your Company has 7 (Seven) Board level committees: Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee, Information Technology (IT) Strategy Committee, Resource and Mobilization Committee and Equity Raise and Liquidity Committee. All decisions pertaining to the constitution of Committees, appointment of members and Charters / terms of reference for Committee members are taken by the Board of Directors. Details pertaining to the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

A. AUDIT COMMITTEE:

The Members of the Committee possess strong accounting and financial management knowledge.

The composition of the Audit Committee as on March 31, 2025, is as under:

Name of Director	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Ms. Bindu Ananth	Chairperson	5	5
Mr. Suresh Jayaraman	Member	5	3
Mr. Ramakrishnan Subramanian	Member	5	5

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Companies Act, 2013 and Rules made thereunder as amended from time to time. The scope of the Committee includes discussion with the Auditors on periodical basis, the observations of the Auditors, recommendation for appointment, review and monitor the auditor's independence, performance and effectiveness of audit process, remuneration and terms of appointment of auditors, evaluation of internal financial controls and risk management systems, examination of financial statement before submission to the Board, effective implementation

of vigil mechanism of the Company and also oversee compliance of internal control systems.

The detailed terms of reference of the Committee are also incorporated in Part-B of the Corporate Governance report pursuant to the Section II of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

During the F.Y. 2024-25, the Audit Committee met 5 times on 13.05.2024, 07.08.2024, 08.11.2024, 10.12.2024 and 06.02.2025 and the gap between the two meetings did not exceed 120 days.

B. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The composition of the Nomination and Remuneration Committee (NRC) as on March 31, 2025, is as under:

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Suresh Jayaraman	Chairperson	5	2
Mr. Michael Fernandes	Member	5	5
Mr. Piyush Kumar Khaitan	Member	5	5
Ms. Bindu Ananth	Member	5	5

The terms of reference of this Committee are in line with the regulatory requirements mandated in the RBI Master directions and guidelines, the Companies Act, 2013 and Rules made thereunder, as amended from time to time. The scope of the Committee includes an annual review of the Nomination and Remuneration Policy, ensuring 'fit and proper' status of proposed and existing directors, recommend to the Board appointment and removal of the Directors, carry out Director Performance evaluation, formulate the criteria for determining qualifications, review remuneration paid to the employees &

directors and consider giving stock options to the employees of the Company.

The detailed terms of reference of the Committee are also incorporated in Part-B of the Corporate Governance report pursuant to the Section II of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

During the F.Y. 2024-25, the Committee met 5 times on 16.04.2024, 13.05.2024, 08.08.2024, 11.12.2024 and 06.02.2025 and the gap between the two meetings did not exceed 120 days.

C. RISK MANAGEMENT COMMITTEE (RMC)

The Risk Management Committee monitors Risk Management Strategy of the Company.

The composition of this Committee as on March 31, 2025, is as follows:

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Ramakrishnan Subramanian	Chairperson	4	4
Mr. Piyush Kumar Khaitan	Member	4	4
Ms. Bindu Ananth	Member	4	4
Mr. Arun Kumar Nayyar	Member	4	4

The terms of reference of the Committee includes approval and monitoring of the Company's risk management policies and procedures, review of operational risk, information technology risk and integrity risk, appraise the Board of Directors at regular intervals regarding the process of putting in place a progressive risk management system, risk management policy and strategy and to lay down procedures about the risk assessment and minimisation procedures.

The detailed terms of reference of the Committee are also incorporated in Part-B of the Corporate Governance report pursuant to the Section II of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

During the F.Y. 2024-25, Committee met 4 times on 13.05.2024, 08.08.2024, 10.12.2024 and 07.02.2025.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee was formed as per the provisions of Section 135 of the Companies Act, 2013.

The composition of the Committee as on March 31, 2025, is as under:

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Arun Kumar Nayyar	Chairperson	3	3
Mr. Piyush Kumar Khaitan [#]	Member	3	3
Ms. Bindu Ananth	Member	3	2
Ms. Deepa Bachu [^]	Member	NA	NA
Ms. P. H. Vijaya Deepti [^]	Member	2	2

[^]During the tenure of Ms. Deepa Bachu no meeting was held.

Notes:

[#]During the F.Y.2024-2025, the CSR Committee was re-constituted to include Mr. Piyush Kumar Khaitan as the member of the Committee w.e.f. May 13, 2024.

[^]Further, pursuant to the resignation of Ms. Deepa Bachu w.e.f. July 31, 2024, and appointment of Ms. P. H. Vijaya Deepti the CSR Committee was re-constituted w.e.f. September 09, 2024.

The terms of reference of this Committee are in line with the regulatory requirements. The terms of reference of this Committee includes to formulate and recommend to the Board areas where the Company can contribute for CSR, amount to be spent by the Company as a contribution towards CSR initiative, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to recommend the amount of expenditure to be incurred on the CSR activities and to institute a transparent

monitoring mechanism for implementation of CSR activities. The Company has formulated CSR Policy as per the provisions of Companies Act 2013.

The detailed terms of reference of the Committee are also incorporated in Part-B of the Corporate Governance report pursuant to the Section II of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

During the F.Y. 2024-25, Committee met 3 times on 21.08.2024, 14.10.2024 and 26.02.2025.

E. INFORMATION TECHNOLOGY (IT) STRATEGY COMMITTEE ("ITSCM"):

The Information Technology (IT) Strategy Committee was formed as per the provisions of RBI Master Direction – Information Technology Framework for the NBFC Sector dated June 8, 2017. The Committee is formed to review and amend the IT strategies in line with the corporate strategies, policy reviews, cyber security arrangements and any other matter related to IT Governance.

The composition as on March 31, 2025, is as under:

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Suresh Jayaraman	Chairperson	4	1
Mr. Dhruv Kumar Khaitan	Member	4	4
Ms. Deepa Bachu [^]	Member	1	1
Ms. P. H. Vijaya Deepti [^]	Member	3	3
Mr. Ramakrishnan Subramanian	Member	4	4
Mr. Arun Kumar Nayyar	Member	4	4
Mr. Deepak Nath Goswami	Member	4	4
Mr. Vikas Dhankhar	Member	4	4
Mr. Naveen Kumar	Member	4	4
Mr. Yogesh Nakhwa	Member	4	4
Mr. Ravi Valia*	Member	1	1

Notes:

[^]During the F.Y. 2024-2025, pursuant to the resignation of Ms. Deepa Bachu w.e.f. July 31, 2024, and appointment of Ms. P. H. Vijaya Deepti the Committee was re-constituted w.e.f. September 09, 2024.

*Mr. Ravi Valia was inducted as the member of the ITSC w.e.f. January 07, 2025.

The terms of reference of this Committee are in line with the regulatory requirements. The terms of reference of this Committee include approving IT strategies, monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resource, ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

The detailed terms of reference of the Committee are also incorporated in Part-B of the Corporate Governance report pursuant to the Section II of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

During F.Y. 2024-25, the IT Strategy committee met four time on 13.05.2024, 11.09.2024, 31.12.2024 and 07.02.2025.

F. RESOURCES AND MOBILIZATION COMMITTEE (R&MC)

The Resource and Mobilization Committee is constituted to enhance and meet timely requirements of funds by the Company. The Board of Directors has delegated powers for approval of any borrowing and resource raising within the overall borrowing limits as approved by shareholders to this committee pursuant to the Companies Act 2013. The Composition of the committee as on March 31, 2025 is as follows:

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Arun Kumar Nayyar	Chairperson	10	10
Mr. Piyush Kumar Khaitan	Member	10	7
Mr. Michael Fernandes	Member	10	8
Mr. Bindu Ananth	Member	10	5
Mr. Ramakrishnan Subramanian	Member	10	9

During the F.Y. 2024-25, the Committee met 10 times on 19.04.2024, 14.05.2024, 17.06.2024, 28.06.2024, 19.07.2024, 21.10.2024, 12.11.2024, 20.12.2024, 12.03.2025, and 28.03.2025.

G. EQUITY RAISE AND LIQUIDITY COMMITTEE (ER&LC):

The Equity Raise and Liquidity Committee was constituted by the Board with the objective to explore opportunities of growth for equity capital.

The Composition of the committee as on March 31, 2025, is as follows:

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Michael Fernandes	Chairperson	4	4
Mr. Piyush Kumar Khaitan	Member	4	4
Mr. Deepa Bachu [^]	Member	1	1
Mr. Ganesh Rengaswamy	Member	4	3
Mr. Arun Kumar Nayyar	Member	4	4
Ms. P. H . Vijaya Deepti [^]	Member	2	2

Notes:

[^]Pursuant to the resignation of Ms. Deepa Bachu w.e.f. July 31, 2024, and appointment of Ms. P. H. Vijaya Deepti the Committee was re-constituted w.e.f. September 09, 2024.

During FY 2024-25, the Committee met 4 times on 13.05.2024, 08.08.2024, 11.12.2024, and 07.02.2025.

H. OTHER COMMITTEES

The Board has also constituted Asset and Liability Committee (ALCO), IT Steering Committee, Information System (IS) Audit Committee, Information Security Committee ("ISC") and Management Reporting Committee ("MRC"). These are not Board Level Committees. However, Mr. Arun Kumar Nayyar, Managing Director & CEO, is a member of these few Committees along with other Senior Executives of the Company.

a. ASSET LIABILITY COMMITTEE (ALCO):

As per the Reserve Bank of India's ("RBI"), Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 on Asset- Liability Management (ALM) System in NBFCs, the Asset Liability Committee (ALCO) is formed to oversee the implementation of ALM system and review its functioning periodically. The composition of ALCO as on March 31, 2025, is as under:

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Arun Kumar Nayyar	Member	12	12
Mr. Deepak Goswami	Member	12	12
Mr. Pradeep Prajapati	Member	12	12

Chief Product Officer ("CPO"), Chief Business Officer ("CBO") and Chief Risk Officer("CRO") are also invitees to the ALCO meetings.

The terms of reference of this Committee are in line with the regulatory requirements. The terms of reference of this Committee include review and management of liquidity gaps and structural liquidity of the Company, review and management of interest rate sensitivity and develop a view on future direction on interest rate movements and decide on funding mixes.

Also, during the FY 2024-25, Committee met 12 times i.e., 26.04.2024, 31.05.2024, 28.06.2024, 25.07.2024, 26.08.2024, 23.09.2024, 28.10.2024, 28.11.2024, 30.12.2024, 27.01.2025, 27.02.2025 and 27.03.2025.

b. IT STEERING COMMITTEE:

In reference to the RBI Master Directions – Information Technology Governance, Risk, Controls and Assurance Practices, the Company has constituted IT Steering Committee, operating at an executive level and focusing on priority setting, resource allocation and project tracking and any other matter related to IT Governance.

The composition as on March 31 2025 is as under:

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Vikas Dhankhar	Chairperson	4	4
Ms. Gauri Shah	Member	4	3
Mr. Naveen Kumar K	Member	4	4
Mr. Yogesh Nakhwa	Member	4	4
Mr. Ashish Chaudhari*	Member	3	3
Mr. Deepak Nath Goswami	Member	4	2
Mr. Amol Deherkar	Member	4	4
Mr. Sanjay Rawat	Member	4	4
Mr. Kapil Talati	Member	4	4
Mr. Ravi Valia^	Member	1	1

Notes:

*During the period under review, the Committee was re-constituted on June 20, 2024, pursuant to the resignation of Mr. Nikhil Subhashchandra Patil (CISO) and appointment of Mr. Ashish Chaudhari (CISO).

^Further due to the appointment of Mr. Ravi Valia as Chief Risk Officer, the Board of Directors appointed him as the member of the Committee w.e.f. December 11, 2024.

The terms of reference of this Committee are in line with the regulatory requirements and IT Policy of the Company.

During the F.Y. 2024-25, Committee met 4 time on 08.05.2024, 30.07.2024, 22.10.2024 and 16.01.2025.

c. INFORMATION SYSTEM (IS) AUDIT COMMITTEE:

In reference to the RBI Master Directions – Information Technology Framework, the Company has constituted Information System Audit (IS Audit) Committee to provide an insight on the effectiveness of controls that are in place to ensure confidentiality, integrity and availability of the organisation's IT infrastructure. IS Audit shall identify risks and methods to mitigate risk arising out of IT infrastructure such as server architecture, local and wide area networks, physical and information security, telecommunications etc.

However, the Board of Directors at its meeting held on February 07, 2025, dissolved the Information System (IS) Audit Committee, as there was no requirement for keeping the separate Information Security (IS) audit committee as the Audit Committee of the Board ("ACB") is in place which is responsible for exercising oversight of IS Audit of the Company. During the year 2024-2025 there was no meeting of Information System (IS) Audit Committee.

The previous composition of the Committee was as under: -

Name of Members	Status
Mr. Vikas Dhankhar	Chairperson
Ms. Gauri Shah	Member
Mr. Ashish Chaudhari*	Member
Mr. Arun Kumar Nayyar	Member
Mr. Deepak Nath Goswami	Member
Mr. Yogesh Nakhwa	Member

Name of Members	Status
Mr. Naveen Kumar	Member
Mr. Kapil Talati	Member
Mr. Sanjay Rawat	Member
Mr. Ravi Valia [^]	Member

Notes:

^{*}During the period under review, the Committee was re-constituted on June 20, 2024, pursuant to the resignation of Mr. Nikhil Subhashchandra Patil (CISO) and appointment of Mr. Ashish Chaudhari (CISO).

[^]Further due to the appointment of Mr. Ravi Valia as Chief Risk Officer, the Board of Directors appointed him as the member of the Committee w.e.f. December 11, 2024.

d. INFORMATION SECURITY COMMITTEE ("ISC")

In reference to the Reserve Bank of India (RBI) Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices, the Company has constituted Information Security Committee (ISC), under the oversight of the IT Strategy Committee (ITSC) for managing cyber/ information security. The major responsibility the ISC, inter alia, shall include:

The major responsibility the ISC, inter alia, shall include:

- Development of information/ cyber security policies.
- Implementation of policies, standards and procedures to ensure that all identified risks are managed within the Company's risk appetite.
- Approving and monitoring information security projects and security awareness initiatives, Reviewing cyber incidents, information systems audit observations, monitoring and mitigation activities; and
- Updating ITSC and CEO periodically on the activities of ISC.

The composition as on March 31, 2025 is as under:-

Name of the Member	Role	No. of Meetings held/ conducted during the tenure of the Member	No. of Meetings attended
Mr. Ravi Valia [^]	Chairperson	2	2
Ms. Gauri Shah	Member	4	4
Mr. Vikas Dhankhar	Member	4	4
Mr. Ashish Chaudhari [*]	Member	4	4
Mr. Deepak Nath Goswami	Member	4	4
Mr. Manmeet Singh	Member	4	1
Mr. Amol Deherkar	Member	4	4
Mr. Sanjay Rawat	Member	4	4
Mr. Kapil Talati	Member	4	4

Notes:

^{*}During the period under review, the Committee was re-constituted on June 20, 2024, pursuant to the resignation of Mr. Nikhil Subhashchandra Patil (CISO) and appointment of Mr. Ashish Chaudhari (CISO).

[^]Further due to the appointment of Mr. Ravi Valia as Chief Risk Officer, the Board of Directors appointed him as the member of the Committee w.e.f. December 11, 2024.

The terms of reference of this Committee are in line with the regulatory requirements.

During the F.Y. 2024-25, Committee met 4 time on 27.06.2024, 30.09.2024, 17.12.2024 and 20.03.2025.

e. MANAGEMENT REPORTING COMMITTEE (MRC):

The Management Reporting Committee is an Internal committee which is constituted by the Board on 8th December 2022 via dissolution of Management Committee. The Committee meets the senior management team and representatives of Shareholders monthly. The committee provides a monthly update to the Investors on the Financial and Operating performance of the Company.

During the FY 2024-25, the Committee met 12 times on 19.04.2024, 17.05.2024, 21.06.2024, 19.07.2024, 23.08.2024, 20.09.2024, 18.10.2024, 22.11.2024, 20.12.2024, 24.01.2025, 21.02.2025 and 21.03.2025.

I. GENERAL MEETINGS

Following are the General Body Meetings and details of special resolution(s) passed:

a. Annual General Meeting:

The details of the last 3 (three) years are as follows:

Year	Annual General Meeting	Location	Date and Time	Details of Special Resolutions passed
2023-24	31 st Annual General Meeting	Through Video Conference	June 10, 2024 Time: 2:30 pm	a. Re-appointment of Ms. Bindu Ananth, (DIN: 02456029) as Independent Director b. Enhancement of borrowing limit of the Company up to ₹ 3,500 crore under Section 180 (1)(c) of the Companies Act, 2013 c. Authority to Create Charge Over Company's Assets d. Borrowing / raising of funds by issue of debt securities on a private placement basis for an amount of up to ₹ 2500 crores.
2022-23	30 th Annual General Meeting	Through Video Conference	June 12, 2023 Time: 4:00 P.M	a. Alteration of Articles of Association b. Approve the limit for Private Placement of Non- Convertible Debentures. c. Appointment of Mr. Suresh Jayaraman (DIN:03033110) as non-executive & Independent director. d. Appointment of Mr. Ramakrishnan Subramanian (DIN:02192747) as Nominee Director representing Trinity Inclusion Limited
2021-22	29 th Annual General Meeting	Through Video Conference	June 28, 2022 Time: 12:00 Noon	a. Approve the limit for Private Placement of Non- Convertible Debentures.

b. Extra-Ordinary General Meeting:

During the F.Y. 2024-25, following Extra-Ordinary General Meetings of the Company were held.

Date of Meeting	Time	Venue	Details of Special Resolutions passed
May 23, 2024	2:30 P.M.	Through Video Conference	a. Approval on NeoGrowth Employee Stock Option Plan 2024 b. Approval on amendments in NeoGrowth Employees Stock Option Plan 2017, 2018 and 2022

J ANNUAL REVIEW OF THE BOARD

For F.Y. 2024-25, a formal evaluation of the Board and governance structure of the Company is carried out by the Company, basis and including but not limited to following evaluation criteria:

- Board and Board Committees
- Chairman of the Board
- Conduct of Board Meetings
- Understanding the Company and its Business

K OTHER DISCLOSURES

i. WHISTLE-BLOWER POLICY/VIGIL MECHANISM

The details regarding formulation of whistle blower policy / vigil mechanism are furnished in the Directors' Report forming part of the Annual Report.

ii. NODAL OFFICER/GRIEVANCE REDRESSAL OFFICER

The Company has appointed a Nodal Officer to represent and furnish information to the RBI Ombudsman in terms of Ombudsman Scheme for Non-Banking Financial Companies, 2021. The Company also has a Grievance Redressal Policy

and a Grievance Redressal Officer to address queries and grievances of the customers.

iii. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The details regarding complaints received, filed, disposed of are furnished in the Directors' Report forming part of the Annual Report.

iv. CREDIT RATINGS

The Company has Credit Rating from two Rating agencies, namely ICRA & CARE.

CARE upgraded the rating from CARE BBB; Stable (Triple B; Outlook: Stable) to CARE BBB+; Stable (Triple B Plus; Outlook: Stable) in July 2024. Further, ICRA reviewed and reaffirmed the rating at ICRA BBB+ (Stable Outlook) in December 2024.

v. SECRETARIAL AUDIT

The Company annually conducts a Secretarial Audit by an Independent Practising Company Secretary. For the year ended March 31, 2025, M/s. Sachin Dedhia & Associates, Practising Company Secretaries, conducted the secretarial

audit and the report presented is forming part to this Report.

vi. ISO 9001:2015 CERTIFICATION

The Company has successfully retained the ISO 9001:2015 Quality Management System Certification.

This achievement marks the successful completion of our third certification cycle [2018 to 2024]. The recertification audit was successfully conducted and the certification validity till 2028.

vii. RELATED PARTY TRANSACTIONS

During the financial year 2024-25, there have been no materially significant related party transactions that may have potential conflict with the interest of the Company. Pursuant to the provisions of the Companies Act 2013, the Board has adopted a policy on related party transactions and the said policy is available on the website of the Company at <https://www.neogrowth.in/company-policies/>. The details of related party transactions are disclosed in Notes to Financial Statement.

viii. DETAILS OF SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL:

The details of Senior Management and Key Managerial Personnel as per SEBI Listing Regulations as on March 31, 2025 and the changes during the year are as follows:

Name	Designation
Mr. Arun Kumar Nayyar ("KMP")	Managing Director & CEO
Mr. Deepak Goswami ("KMP")	Chief Financial Officer
Mr. Manmeet Singh	Chief Business Officer
Mr. Amol Deherkar	Chief Product Officer
Mr. Ravi Valia*	Chief Risk Officer
Mr. Vikas Dhankhar	Chief Technology Officer
Ms. Anjali Yadav^	Chief Human Resources Officer
Mr. Vikas Kortalwar^	SVP- Human Resources
Mr. Yogesh Nakhwa	EVP - Operations, Customer Service and Business Excellence
Ms. Gauri Shah	SVP - Risk & Credit Policy
Ms. Vasudha Chaudhry	SVP - Credit
Mr. Kapil Bhalchandra Talati	SVP - Internal Audit and Controls
Mr. Sanjay Rawat	Chief Compliance Officer
Ms. Tanushri Yewale\$ ("KMP")	Company Secretary
Mr. Rohit Rai\$ ("KMP")	Company Secretary

Notes: -

*Mr. Ravi Valia was appointed as Chief Risk Officer w.e.f. November 04, 2024

^Mr. Vikas Kortalwar resigned w.e.f. June 26, 2025, and Ms. Anjali Yadav was appointed w.e.f. April 01, 2025.

\$Ms. Tanushri Yewale resigned w.e.f. July 17, 2024, and Mr. Rohit Rai was appointed w.e.f. December 31, 2024.

ix. REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS:

KFIN Technologies Limited

(formerly known as KFin Technologies Private Limited)

Corporate Office Address: - Selenium Tower-B, Plot No. 31 & 32, Financial District,

Nanakramguda, Hyderabad - 500 032, India

Contact person: Mr. Jagannadh Chakka

E-mail ID: jagannadh.chakka@kfintech.com

x. NAME OF THE DEBENTURE TRUSTEES WITH FULL CONTACT DETAILS:**1. Catalyst Trusteeship Limited**

Address: -GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune-411 038
Tel No:- +91 (20) 66807200
E-mail ID:- compliancectl-mumbai@ctltrustee.com

2. Beacon Trusteeship Limited

Address: - 5W, 5th Floor, Metropolitan Building, E Block, Bandra Kurla Complex (BKC), Bandra (East), Mumbai 400 051
Tel No: - 022-46060278
E-mail ID:- compliance@beacontrustee.co.in

xi. THE NAME AND ADDRESS OF EACH STOCK EXCHANGE(S) AT WHICH THE LISTED SECURITIES ARE LISTED AND A CONFIRMATION ABOUT PAYMENT OF ANNUAL LISTING FEE TO EACH OF SUCH STOCK EXCHANGE(S).

The privately placed Non-Convertible Debentures ("NCDs") of the Company are listed with BSE Limited ("BSE") and the Company has paid Annual Listing fees for F.Y.2024-2025.

xii. DEMATERIALISATION OF SHARES:

All the Equity Shares and Compulsory Convertible Preference Shares ("CCPS") of the Company as on March 31, 2025, are held in the dematerialised form.

Particulars	No. of Shares
National Securities Depositories Limited ("NSDL")	Equity Share Capital- 18,000,700 of face value of ₹10/- each Compulsory Convertible Preference Shares- 75,369,526 of face value of ₹10 each

xiii. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity.

xiv. ADDRESS FOR CORRESPONDENCE

Registered Office address for correspondence: -
Mr. Rohit Rai, Company Secretary
NeoGrowth Credit Private Limited
Times Square, Tower E, 9th Floor, Andheri-Kurla Road, Marol, Andheri East, Mumbai- 400059, Maharashtra.
Tel No. 022- 49219999
Website: www.neogrowth.in

xv. 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:

During the year, the Company has not provided any loans and advances in the nature of loans to any firms / companies in which Directors are interested.

xvi. WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD, WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR:

All the recommendations made by the Committees of the Board during the relevant financial year were accepted by the Board.

xvii. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES:

The details of the fees paid to the Auditors is provided in the Notes to Accounts.

xviii. APPLICATION UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016):

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year: There were no applications filed against the Company.

xix. DETAILS OF VALUATION

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company during the year under review.

PART B

(Disclosure in Corporate Governance Report pursuant to Section II of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023)

A) Corporate governance

1. Composition of the Board

Sl. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		Attendance in the last AGM on June 10, 2024	No. of other Director ships (Company registered under Companies Act, 2013)	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	At- tended			Salary and other compensation	Sitting Fee	Commis- sion	
1.	Mr. Dhruv Kumar Khaitan	07.06.2012	Non-Executive	00002584	6	6	Yes	4	-	-	-	90,00,000 Equity Shares 6,84,567 CCPS
2.	Mr. Piyush Kumar Khaitan	07.06.2012	Non-Executive Chairman	00002579	6	5	Yes	2	3,187,500	-	-	90,00,000 Equity Shares 6,84,567 CCPS
3.	Mr. Ganesh Rengaswamy	29.07.2015	Non-Executive	02656783	6	3	-	2	-	-	-	-
4.	Mr. Michael Fernandes*	23.01.2018	Nominee Director	00064088	6	6	-	1	-	-	-	-
5.	Mr. Bindu Ananth#	10.10.2019	Independent Director	02456029	6	6	-	6	2,850,000	-	-	-
7.	Mr. Arun Kumar Nayyar	06.01.2022	Executive Director	06804277	6	6	Yes	0	4,94,64,400	-	-	97,827 CCPS
8.	Ms. Deepa Bachu\$	08.12.2022	Nominee Director	07397729	1	1	-	0	800,000	-	-	-
9.	Mr. Suresh Jayaraman	27.03.2023	Independent Director	03033110	6	3	-	5	2,400,000	-	-	-
10.	Mr. Ramakrishnan Subramanian	27.03.2023	Nominee Director	02192747	6	6	Yes	3	2,400,000	-	-	-
11.	Ms. P. H. Vijaya Deepti^	09.09.2024	Nominee Director	08125456	4	4	NA	4	1,346,666	-	-	-

Notes:-

The change in the composition of the Board of Directors are as follows: -

*Mr. Micheal Jude Fernandes resigned w.e.f. April 02, 2025

\$Ms. Deepa Bachu resigned w.e.f. July 31, 2024

^Ms. P. H. Vijaya Deepti was appointed w.e.f. September 09, 2024.

#Ms. Bindu Ananth was re-appointed as Independent Director of the Company for the second term of 5 Years at the Annual General Meeting held on June 10, 2024

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

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Ms. Deepa Bachu	Nominee Director	Resignation	31.07.2024
2.	Ms. P. H. Vijaya Deepti	Nominee Director	Appointment	09.09.2024
3.	Ms. Bindu Ananth*	Independent Director	Appointment	10.06.2024

Notes: -

*Ms. Bindu Ananth was re-appointed as Independent Director of the Company for the second term of 5 Years at the Annual General Meeting held on June 10, 2024.

During the financial year no independent director resigned before expiry of term.

None of the Directors are related inter-se (as per the definition of 'relatives' under Companies Act 2013).

2) Committees of the Board and their composition: -

A. Audit Committee:

The Key Terms of reference:

1. To oversight the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible.
2. To discuss and review, with the management and auditors, the annual/quarterly financial statements before submission/recommendation to the Board.
3. Recommend the appointment of statutory auditor and internal auditor.
4. Any changes in accounting policies and practices and reasons for the same.
5. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of section 134 (5) of the Act.
6. Compliance with prevailing accounting standards.
7. Disclosure of any related party transaction. Approval or any subsequent modification of transactions of the company with related parties.
8. Such other terms as mentioned in the Charter of the Audit Committee.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Ms. Bindu Ananth	04.12.2019	Chairperson	5	5	-
2.	Mr. Suresh Jayaraman	27.03.2023	Non-Executive	5	3	-
3	Mr. Ramakrishnan Subramanian	27.03.2023	Non-Executive	5	5	-

B. Nomination and Remuneration Committee:

The Key Terms of Reference:

1. To recommend to the Board regarding the appointment of Directors, KMP/ Senior Management Personnel ("SMP") as defined in the NRC policy of the Company.
2. To fix the remuneration paid to Whole-time / Executive Directors which generally shall include fixed salary, perquisites, variable pay in the form of performance bonus, certain retiral benefits, allowances and other benefits.
3. To decide the annual increments to Whole-time / Executive Directors which shall be linked up to their overall performance.
4. To consider the appoint Key Managerial Personnel of the Company.
5. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee.
6. To formulate, implement and administer the employee stock option scheme and any aspects related to the scheme from time to time including grants, cancellations, change in exercise price etc. in line with the approved schemes.
7. To ensure 'fit and proper' status of proposed/ existing Directors.

8. Such other terms as mentioned in the Charter of the Nomination and Remuneration Committee.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Suresh Jayaraman	27.03.2023	Chairperson	5	2	-
2.	Mr. Michael Fernandes	22.02.2018	Non-Executive	5	5	-
3	Mr. Piyush Kumar Khaitan	27.03.2023	Non-Executive	5	5	90,00,000 Equity Shares 6,84,567 CCPS
4	Ms. Bindu Ananth	04.12.2019	Non-Executive	5	5	-

C. Risk Management Committee

The Key Terms of Reference:

- Design and implement risk management practices, specifically provide ongoing guidance and support for the refinement of the overall risk management framework and ensuring that best practices are incorporated.
- Monitor risk management practices, specifically determine which enterprise risks are most significant and approve resource allocation for risk monitoring and mitigation activities, assign risk owners and approve action plans.
- Periodically review and monitor risk mitigation processes, including:
 - magnitude of all material business risks.
 - the processes, procedures and controls in place to manage material risks.
 - the overall effectiveness of the risk management process.
- Establish and periodically review the Company's risk portfolio in order to align organisational strategies, goals, and performance.
- Such other terms as mentioned in the Charter of the Risk Management Committee.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Ramakrishnan Subramanian	27.03.2023	Chairperson	4	4	-
2	Mr. Piyush Kumar Khaitan	19.10.2015	Non-Executive	4	4	90,00,000 Equity Shares 6,84,567 CCPS
3	Ms. Bindu Ananth	27.03.2023	Non-Executive	4	4	-
4	Mr. Arun Kumar Nayyar	12.02.2022	Executive	4	4	97,827 CCPS

D. Corporate Social Responsibility Committee

The Key Terms of Reference

1. To formulate and recommend to the Board areas where the Company can contribute for CSR.
2. To Finalise the amount to be spent as a contribution towards CSR.
3. To institute a transparent monitoring mechanism for implementation of CSR activities.
4. Reviewing and recommending the annual CSR plan to the Board.
5. 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 of the Act and implementing and monitoring the CSR policy from time to time.
6. Such other terms as mentioned in the Charter of the Corporate Social Responsibility Committee.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Arun Kumar Nayyar	27.03.2023	Chairperson	3	3	97,827 CCPS
2.	Ms. Bindu Ananth	27.03.2023	Non-Executive	3	2	-
3	Ms. Deepa Bachu [#]	27.03.2023	Non-Executive	-	-	-
4	Ms. P. H. Vijaya Deepti [#]	09.09.2024	Non-Executive	2	2	-
5	Mr. Piyush Khaitan [^]	13.05.2024	Non-Executive	3	3	90,00,000 Equity Shares 6,84,567 CCPS

[#]During the tenure of Ms. Deepa Bachu no meeting was held.

Notes: -

[^]During the F.Y.2024-2025, the CSR Committee was re-constituted to include Mr. Piyush Kumar Khaitan as the member of the Committee w.e.f. May 13, 2024.

[#]Further, pursuant to the resignation of Ms. Deepa Bachu w.e.f. July 31, 2024, and appointment of Ms. P. H. Vijaya Deepti the CSR Committee was re-constituted w.e.f. September 09, 2024.

E. IT Strategy Committee

The Key Terms of Reference:

1. Approving IT strategy and Policy documents.
2. ensuring that the management has put an effective strategic planning process in place.
3. Overall responsibility of IT Governance.
4. Ascertaining that management has implemented processes and practices that ensure that IT delivers value to the business; Providing the required funding to implement Information Security Management System.
5. Reviewing the implementation of Information Security Management System.
6. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.
7. Ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks.

8. Such other terms as mentioned in the Charter of the IT Strategy Committee

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Suresh Jayaraman	27.03.2023	Chairperson	4	1	-
2.	Mr. Dhruv Kumar Khaitan	08.12.2019	Non-Executive	4	4	90,00,000 Equity Shares 6,84,567 CCPS
3.	Ms. Deepa Bachu*	08.12.2022	Non-Executive	1	1	-
4.	Mr. Ramakrishnan Subramanian	27.03.2023	Non-Executive	4	4	-
5.	Mr. Arun Kumar Nayyar	24.01.2019	Executive	4	4	97,827 CCPS
6	Ms. P. H. Vijaya Deepti*	09.09.2024	Non-Executive	3	3	
7	Mr. Deepak Nath Goswami	24.08.2022	-	4	4	-
8	Mr. Vikas Dhankhar	27.03.2023	-	4	4	-
9	Mr. Naveen Kumar	24.08.2022	-	4	4	-
10	Mr. Yogesh Nakhwa	08.12.2022	-	4	4	-
11	Mr. Ravi Valia^	07.01.2025	-	1	1	-

Notes:

*During the F.Y.2024-2025, pursuant to the resignation of Ms. Deepa Bachu w.e.f. July 31, 2024, and appointment of Ms. P. H. Vijaya Deepti the Committee was re-constituted w.e.f. September 09, 2024.

^Mr. Ravi Valia was inducted as the member of the ITSC w.e.f. January 07, 2025.

3. General Body Meetings

Give details of the date, place and special resolutions passed at the General Body Meetings.

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1.	Annual General Meeting ("AGM")	10.06.2024	a. Re-appointment of Ms. Bindu Ananth, (DIN: 02456029) as Independent Director b. Enhancement of borrowing limit of the Company up to ₹ 3,500 crore under Section 180 (1)(c) of the Companies Act, 2013 c. Authority to Create Charge Over Company's Assets d. Borrowing / raising of funds by issue of debt securities on a private placement basis for an amount of up to ₹ 2500 crores.
2.	Extra Ordinary General Meeting ("EoGM")	23.05.2024	a. Approval on NeoGrowth Employee Stock Option Plan 2024 b. Approval on amendments in NeoGrowth Employees Stock Option Plan 2017, 2018 and 2022

4. Details of non-compliance with requirements of Companies Act, 2013:-

During the period under review there was no default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and Secretarial Standards.

5. Breach of Covenant:

The Company reports covenant breaches to its lenders on a regular basis. However, the Company has obtained covenant waivers/no action letters/amendment letters in respect of these covenant breaches from lenders. No loans have been recalled by any lender due to covenant breaches for the year ended March 31, 2025.

ANNEXURE-3

DETAILS OF EMPLOYEE STOCK OPTION PLAN AS ON 31ST MARCH 2025

Sr. No	Particulars	ESOP Scheme, 2024	ESOP Scheme, 2022	ESOP Scheme, 2018	ESOP Scheme, 2017
1.	Date of shareholders' approval	May 23, 2024	December 01, 2022	March 21, 2018	November 30, 2017
2.	Total Number of Options approved	8,00,000 stock options are approved under ESOP 2024 Scheme.	8,09,871 stock options are approved under ESOP 2022 Scheme. (Including to ESOPs granted to resigned employees)	27,99,589 stock options are approved under these ESOP Schemes. (Including ESOPs granted to resigned employees)	
3.	Vesting requirement	All the Options granted under the Plan shall not be earlier than minimum period of 1 (one) year and not later than maximum period of 4 (Four) years from the date of Grant.	All the Options granted under the Plan shall be vested only upon Liquidity Event. Hence the maximum period is not applicable.	Options granted under ESOP 2018 shall vest in not less than one year and not more than 5 years from the date of grant.	Options granted under ESOP 2017 shall vest in not less than one year and not more than 5 years from the date of grant.
4.	Exercise price or pricing formula	The Exercise Price per Option shall be determined by the Nomination and Remuneration Committee which shall not be lesser than the face value of the Share and not more than the Fair market value of shares as on date of Grant of such Option and to be detailed in the Letter of Grant.	This price will be determined by the Board / sub-committee of the Board at the time of Grant of Options and detailed in the Letter of Grant.	This price will be determined by the Board / sub-committee of the Board at the time of Grant of Options and detailed in the Letter of Grant.	This price will be determined by the Board / sub-committee of the Board at the time of Grant of Options and detailed in the Letter of Grant.
5.	Maximum term of options granted	Till Liquidity event or such other event as defined in the Scheme.	Till Liquidity event or such other event as defined in the Scheme.	Till Liquidity event or such other event as defined in the Scheme.	Till Liquidity event or such other event as defined in the Scheme.
6.	Variation in terms of ESOP	Not Applicable	The variation in the terms of ESOP's Schemes, 2022, 2018 and 2017 was approved by the Shareholders at the Extra-Ordinary General Meeting ("EoGM") held on May 23, 2024.		

The movement of options during the year are as follows:

Employee-wise details of Options granted during FY 2024-25, to:

Sr. No	Particulars	ESOP 2024	ESOP 2022	ESOP 2018	ESOP 2017
1.	Number of options outstanding at the beginning of the year	Nil	7,29,871	23,24,884	3,32,200
2.	Number of options granted during the year	8,00,000	80,000	50,000	Nil
3.	Number of options issued due to Bonus during the year	Nil	Nil	Nil	Nil
4.	Number of options forfeited / lapsed during the year	20,000	40,000	75,000	NIL
5.	Number of options Vested during the year	Nil	Nil	1,54,000	Nil
6.	Number of options Exercised during the year	Nil	Nil	Nil	Nil

Sr. No	Particulars	ESOP 2024	ESOP 2022	ESOP 2018	ESOP 2017
7.	Number of shares arising as a result of exercise of options	Nil	Nil	Nil	Nil
8.	Money realised by exercise of options	Nil	Nil	Nil	Nil
9.	Loan Repaid to Trust	Nil	Nil	Nil	Nil
10.	No. of options outstanding at the end of the year	7,80,000	7,69,871	22,99,884	3,32,200
11.	No. of options exercisable at the end of the year	Nil	Nil	18,64,884	3,32,200

i. Key managerial personnel:

Below Key Managerial Personnel ("KMP") were granted ESOP's under the ESOP 2024 scheme

Name of KMP	No. of ESOP Granted
Mr. Arun Nayyar	3,20,000
Mr. Deepak Goswami	1,25,000

ii. Any other employees who were granted, during any one year, Options amounting to 5% or more of the Options granted during that year:

Below employees were granted ESOP's of more than 5% of the Options during the F.Y. 2024-2025.

Name of the Employee	No. of ESOP Granted
Mr. Arun Nayyar	3,20,000
Mr. Deepak Goswami	1,25,000
Mr. Manmeet Sawhney	100,000
Mr. Amol Deherkar	75,000
Mr. Vikas Dhankhar	50,000
Mr. Ravi Valia	50,000

iii. Identified employees who were granted Options, during any one year, equal or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: **None.**

ANNEXURE-4

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 2024-25

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

To,
The Members,
NeoGrowth Credit Private Limited

We have conducted the secretarial audit of all applicable statutory provisions for the financial year 2024-25 of NeoGrowth Credit Private Limited (hereinafter called 'the Company'), incorporated on 17th May 1993 having CIN:U51504MH1993PTC251544 and Registered Office at Times Square, Tower E, 9th Floor, Marol, Andheri-Kurla Road, Andheri East, Marol Naka, Mumbai - 400059. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

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

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Following other laws as may be applicable specifically to the Company
 - (a) The Reserve Bank of India Act, 1934
 - (b) Prevention of Money Laundering Act, 2002
 - (c) Information Technology Act, 2000
 - (d) With respect to the Company's business activity of acting as Corporate Agent for sale of Life and General Insurance products, to the extent applicable, the following Acts / laws / Rules / Regulations:
 - i. The Insurance Act, 1938 and Rules framed thereunder, the Insurance Regulatory and Development Authority of India Act, 1999, the Insurance Laws (Amendment) Act, 1999 and the regulations, guidelines, notifications, circulars and directives issued thereunder and in force, from time to time, to the extent applicable to Corporate Agents.
 - ii. IRDA (Registration of Corporate Agents) Regulations, 2002 read with IRDAI (Registration of Corporate Agents) Regulations, 2015 and guidelines for the purpose,

I/we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Listing agreement entered into by the Company with Stock Exchange with respect to Debt Securities issued by the Company.

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are taken unanimously. None of the members are interested. The same are captured and recorded as part of the minutes.

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

We further report that during the audit period the Company has transacted following material activities through the approval of Board/ Members/Committee, wherever applicable:

- 1) Allotment of 2,500 rated, senior, secured, listed, redeemable, transferable, non-convertible debentures of ₹ 1,00,000/- each on Private Placement basis on 17th May 2024 to Moneyboxx Finance Limited.
- 2) Allotment of 2,490 secured, rated, listed, subordinated, redeemable, transferable, non-convertible debentures of ₹ 1,00,000/- each on Private Placement basis on 24th May 2024 to GMO-Z.com Payment Gateway India Credit Fund 1.
- 3) Allotment of 2,400 rated, secured, listed, unsubordinated, redeemable, taxable, transferable, non-convertible debentures of ₹ 1,00,000/- each on Private Placement basis on 7th June 2024 to Northern Arc Capital Limited.
- 4) Allotment of 4,688 and 4,688 rated, secured, senior, listed, redeemable, transferable, non-convertible debentures of ₹ 1,00,000/- each on Private Placement basis on 27th June 2024 to AAV Sarl and Masala Investments Sarl, respectively.
- 5) Allotment of 10,000 rated, secured, senior, listed, redeemable, transferable, non-convertible debentures of ₹ 1,00,000/- each on Private Placement basis on 21st August 2024 to UTI International Wealth Creator 4.
- 6) Allotment of 4,200 rated, secured, senior, listed, redeemable, transferable, non-convertible debentures of ₹ 1,00,000/- each on Private Placement basis on 29th November 2024 to UTI International Wealth Creator 4.

For **Sachin Dedhia & Associates**
Company Secretaries

Sachin Dedhia

Proprietor

Mem No. A-20401, COP No. 9427

PR: 3394/2023

Place: Mumbai

Date: May 16, 2025

UDIN: A020401G000351094

ANNEXURE-A
TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
NeoGrowth Credit Private Limited

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

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

For **Sachin Dedhia & Associates**
Company Secretaries

Sachin Dedhia
Proprietor

Mem No. A-20401, COP No. 9427
PR: 3394/2023
UDIN: A020401G000351094

Place: Mumbai
Date: May 16, 2025

Independent Auditor's Report

To

The Members of

NeoGrowth Credit Private Limited

Report on the audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of NeoGrowth Credit Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Profit And Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2025, and its Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the Key Audit Matter to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	Impairment of financial assets(including provision for expected credit loss) (as described in note 8 and 30 of the Ind AS Financial Statements)	Subjective estimates: Under Ind AS 109, "Financial Instruments", allowance for loan losses is determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas significant management judgements are involved and therefore increased levels of audit focus in the Company's estimation of ECLs are: • Data inputs- The computation of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. • Model estimations- Judgements and Estimates in the models that are used to estimate ECL which involves determining Probabilities of Default ('PD'), Loss Given Default ('LGD'), and Exposures at Default ('EAD'). Our key audit procedures included: ➤ Reviewing board approved policies for impairment of financial Instruments and assessing compliance with the policies in terms of Ind AS 109; ➤ Testing the stage-wise bifurcation of product-wise portfolios; ➤ Reviewing the determination the PD and LGD rates; ➤ Testing of provisions and disclosures in the Ind AS Financial Statements. Substantive verification: ➤ Sample testing over key inputs, data and assumptions impacting ECL calculations to assess impact of ECL Provisioning.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	The underlying assumptions used in the estimates of impairment loss allowance are subject to uncertainties. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the financial statements, we have considered this as a key audit matter. Disclosures: The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.	➤ Model calculations testing through re-computation. Testing the arithmetical accuracy of the computation of ECL provision performed by the Company. ➤ Assessing whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans in the Ind AS Financial Statements are appropriate and sufficient.

Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
6. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.
8. When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the State of Affairs, profit and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in) conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. 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 of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

12.2. 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) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.

12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

12.4. 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 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.

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

13. 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.

14. 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.

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

Other Matter

16. The comparative financial statement of the Company for the year ended 31 March 2024 included in the Financial Statements, were audited by erstwhile statutory auditors whose reports dated 13 May 2024 expressed an unmodified opinion on those financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

18.2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 19.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

18.3. The balance sheet, the statement of profit and loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

18.4. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.

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

- 18.6. The modification relating to the maintenance of books of accounts and other matters connected therewith are as stated in the paragraph 18.2 above on reporting under Section 143(3)(b) and paragraph 19.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- 18.7. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- 18.8. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company.
19. 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:
- 19.1. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its Financial Statements – Refer Note 40 to the Financial Statements;
- 19.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 6 and Note 45 to the Financial Statements;
- 19.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 19.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 19.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 19.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 19.4 and 19.5 contain any material misstatement.
- 19.7. In our opinion and according to information and explanation given to us, the Company has not declared or paid dividend during the year, accordingly compliance with section 123 of the Act by the Company is not applicable.
- 19.8. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except for one accounting software wherein the audit trail feature was enabled at database level to log any direct data changes with effect from 22 Feb 2025. Further, the Company has used an accounting software hosted by third-party service providers for maintaining its books of account and in the absence of service organization controls auditors' report for the financial year, we are unable to comment whether the audit trail feature of the aforesaid software at the database level was enabled and operated throughout the year. Based on our procedures performed, for the accounting software other than the aforesaid instances where the question of our commenting does not arise, we did not notice any instance of the audit trail feature being tampered with. Further, other than aforesaid instances, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner

Place: Mumbai

ICAI Membership No: 145911

Date: 16 May 2025

UDIN: 25145911BMNQYW9819

Annexure 'A'

to the Independent Auditor's Report on the Financial Statements of NeoGrowth Credit Private Limited for the year ended 31 March 2025

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company is maintaining proper records showing full particulars of intangible assets.

- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not own immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), hence reporting under paragraph 3(i)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company does not have any inventory, hence physical verification of inventory and reporting under paragraph 3(ii)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions which are secured on the basis of security of current assets. The quarterly

returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

- iii. (a) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.
- (c) The Company, being a NBFC, registered under the provisions of the RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 3.20 and 8 to the Financial Statements for summarized details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- (d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and reports total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 3.20 and 8 to the Financial Statements for summarised details

of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof. Having regards, to the nature of business and volume of transactions and information involved, it is impracticable to provide the list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- (e) Since the Company's principal business is to give loans, the provisions of paragraph 3(iii)(e) of the Order are not applicable to it.
- (f) Based on our audit procedures and the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans to Promoters/ Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, we confirm that the following dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have not been deposited to/with the appropriate authority on account of any dispute.

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Goods & Service Tax, 2017	GST Interest and penalty	₹ 31.77 lakhs	Financial Year 2017-18	Commissioner of Appeal GST, Maharashtra	Appeal file. Pending for hearing.
Goods & Service Tax, 2017	GST Interest and penalty	₹ 4.47 lakhs	Financial Year 2020-21	Sales Tax Officer, Ward 44, Zone -3, Delhi State	Rectification application filed.

- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank

- or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
 - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
 - (e) & (f) The Company does not have any subsidiaries, associates, or joint ventures. Accordingly, the provisions of the clauses (ix) (e)&(f) of the Order are not applicable.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
 - (b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.
- xi. (a) In our opinion and according to the information and explanations given to us, 38 instances of fraud by certain employees of the Company amounting to ₹ 754.87 lakhs have been reported during the year.
 - (b) In our opinion and according to the information and explanations given to us, one report under sub section (12) of section 143 of the Act has been filed by the statutory auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) We have taken into consideration the whistle blower complaints received by the company during the year while determining the nature, timing and extent of audit procedures.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
 - xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, 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 and the Company has obtained the required registration.
 - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - (c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by Reserve Bank of India and accordingly reporting under clause 3(xvi)(c) of the order is not applicable.
 - (d) In our opinion there are 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.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
 - xviii. During the year, the erstwhile Statutory auditors of the Company have completed their term and rotated out in accordance with RBI circular dated April 27, 2021. As informed, there have been no issues, objections or concerns raised by the said outgoing auditors.
 - xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and

Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the said Act pursuant to any project and accordingly reporting under clause 3(xx) of the order is not applicable.

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner

Place: Mumbai

ICAI Membership No: 145911

Date: 16 May 2025

UDIN: 25145911BMNQYW9819

Annexure 'B'

to the Independent Auditors' report on the Financial Statements of NeoGrowth Credit Private Limited for the year ended 31 March 2025

(Referred to in paragraph '18.7' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

Opinion

1. We have audited the internal financial controls with reference to the Financial Statements of NeoGrowth Credit Private Limited ('the Company') as at 31 March 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial

controls with reference to the Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with reference to the Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Financial Statements may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For KKC & Associates LLP

Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner

Place: Mumbai

Date: 16 May 2025

ICAI Membership No: 145911

UDIN: 25145911BMNQYW9819

Balance Sheet

as at March 31, 2025

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
I ASSETS			
1 Financial assets			
Cash and cash equivalents	4	16,154.77	15,750.26
Bank balance other than above	5	9,772.17	10,016.78
Derivative financial instruments	6	1,190.45	-
Receivables			
- Trade receivables		1.35	91.14
- Other receivables	7	4.17	203.76
Loans	8	249,342.00	253,199.64
Other financial assets	9	1,130.99	1,837.21
		277,595.90	281,098.79
2 Non-financial assets			
Current tax assets (net)	15	978.80	25.05
Deferred tax assets (net)	34	5,519.38	4,635.53
Property, Plant and Equipment	10	230.09	84.83
Right-of-use assets	11	3,461.33	950.47
Intangible assets under development	12	442.13	331.77
Other intangible assets	13	13.47	21.57
Other non-financial assets	14	745.58	690.83
		11,390.78	6,740.05
Total assets		288,986.68	287,838.84
II LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
Derivative financial instruments	6	-	151.51
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	16	220.43	45.43
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		717.92	1,743.37
Debt securities	17	56,937.10	46,290.55
Borrowings (other than debt securities)	18	157,306.90	167,604.60
Other financial liabilities	19	5,303.26	4,154.14
		220,485.61	219,989.60
2 Non-financial liabilities			
Provisions	20	902.89	1,584.77
Current tax liabilities (net)	20A	-	90.75
Other non-financial liabilities	21	493.12	568.59
Total liabilities		1,396.01	2,244.11
3 Equity			
Equity share capital	22	1,800.07	1,800.07
Instruments entirely Equity in nature		7,521.87	7,521.87
Other equity	23	57,783.12	56,283.19
Equity attributable to equity holders		67,105.06	65,605.13
Total liabilities and equity		288,986.68	287,838.84
Summary of material accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

ICAI Firm Registration No: 105146W/W100621

Vinit K Jain

Partner

Membership No. 145911

Place: Mumbai

Date: May 16, 2025

For and on behalf of the Board of Directors

Dhruv Kumar Khaitan

Director

DIN 00002584

Place: Mumbai

Arun Kumar Nayyar

Managing Director & CEO

DIN 06804277

Place: Mumbai

Deepak Goswami

Chief Financial Officer

Place: Mumbai

Rohit Rai

Company Secretary

(ACS: 35505)

Place: Mumbai

Date: May 16, 2025

Statement for Profit and Loss

for the year ended March 31, 2025

		(₹ in Lakhs)	
Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations			
(i) Interest income	24	72,104.05	57,438.58
(ii) Fee and commission income	25	1,617.43	1,154.30
(iii) Income on derecognition of loan assets	26	673.11	953.51
(iv) Net gain on fair value changes	27	506.72	376.04
(I) Total revenue from operations		74,901.31	59,922.43
(II) Other income	28	130.15	202.07
(III) Total income (I + II)		75,031.46	60,124.50
Expenses			
(i) Finance cost	29	28,419.46	21,118.60
(ii) Impairment on financial instruments	30	27,953.99	15,034.13
(iii) Employee benefit expense	31	10,575.02	8,833.15
(iv) Depreciation, amortisation and impairment	32	1,071.12	771.17
(v) Other expenses	33	5,799.54	4,834.30
(IV) Total expenses		73,819.13	50,591.35
(V) Profit / (loss) before tax (III- IV)		1,212.33	9,533.15
(VI) Tax expense:			
(1) Current tax		1,526.91	1,379.37
(2) Earlier year adjustments	34	(249.24)	0.11
(3) Deferred tax charge / (credit)		(967.66)	1,017.12
(VII) Profit / (loss) for the period from continuing operations		902.32	7,136.55
(VIII) Profit / (loss) for the year (V - VI)		902.32	7,136.55
(IX) Other comprehensive income			
A Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(67.05)	(91.29)
Income tax impact		16.88	22.98
Total (A)		(50.17)	(68.31)
B Items that will be classified to profit or loss			
Cash flow hedge			
Net Gain / (loss) for the year		400.09	(762.17)
Income tax impact		(100.69)	191.82
Total (B)		299.40	(570.35)
Other comprehensive income (A + B)		249.23	(638.66)
(X) Total comprehensive income (VIII+ IX)		1,151.55	6,497.89
(XI) Earnings per equity share			
Basic (₹)	35	0.97	7.64
Diluted (₹)		0.96	7.37
Summary of material accounting policies	3		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No: 105146W/W100621

Vinit K Jain
Partner
Membership No. 145911
Place: Mumbai
Date: May 16, 2025

For and on behalf of the Board of Directors

Dhruv Kumar Khaitan
Director
DIN 00002584
Place: Mumbai

Deepak Goswami
Chief Financial Officer
Place: Mumbai

Arun Kumar Nayyar
Managing Director & CEO
DIN 06804277
Place: Mumbai

Rohit Rai
Company Secretary
(ACS: 35505)
Place: Mumbai
Date: May 16, 2025

Statement of changes in Equity

for the year ended March 31, 2025

A. Equity Share Capital

As at March 31, 2025

(₹ in Lakhs)

Balance as at April 1, 2024	Changes in equity share capital during the period	Balance as at March 31, 2025
1,800.07	-	1,800.07

As at March 31, 2024

(₹ in Lakhs)

Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
1,800.07	-	1,800.07

B. Instruments entirely Equity in nature - 0.01% Compulsory Convertible Preference Shares

As at March 31, 2025

(₹ in Lakhs)

Balance as at April 1, 2024	Changes during the period	Balance as at March 31, 2025
7,521.87	-	7,521.87

As at March 31, 2024

(₹ in Lakhs)

Balance as at April 1, 2023	Changes during the year	Balance as at March 31, 2024
7,112.73	409.14	7,521.87

C. Other Equity

As at March 31, 2025

(₹ in Lakhs)

Particulars	Reserves and Surplus				Other comprehensive income		Total
	Statutory reserve under section 45-IC(1) of the Reserve Bank of India Act, 1934	Share options outstanding account	Securities Premium	Retained Earnings	Cash flow hedge reserve	Actuarial gains/(losses)	
Balance as at April 1, 2024	1,975.07	1,557.57	66,458.30	(12,549.76)	(1,114.32)	(43.67)	56,283.19
Dividends	-	-	-	(0.74)	-	-	(0.74)
Transfer to Statutory reserve	180.46	-	-	(180.46)	-	-	-
ESOP Cost recognised during the year	-	349.12	-	-	-	-	349.12
Profit / (loss) for the year	-	-	-	902.32	-	-	902.32
Other Comprehensive Income for the year	-	-	-	-	400.09	(67.05)	333.04
Less: Income Tax	-	-	-	-	(100.69)	16.88	(83.81)
Total transfers/appropriations during the period	180.46	349.12	-	721.12	299.40	(50.17)	1,499.93
Balance as at March 31, 2025	2,155.53	1,906.69	66,458.30	(11,828.64)	(814.92)	(93.84)	57,783.12

Statement of changes in Equity

for the year ended March 31, 2025

As at March 31, 2024

(₹ in Lakhs)

Particulars	Reserves and Surplus				Other comprehensive income		Total
	Statutory reserve under section 45-IC(1) of the Reserve Bank of India Act, 1934	Share options outstanding account	Securities Premium	Retained Earnings	Cash flow hedge reserve	Actuarial gains/(losses)	
Balance as at April 1, 2023	547.76	1,256.76	63,793.30	(18,258.25)	(543.97)	24.64	46,820.24
Dividends	-	-	-	(0.75)	-	-	(0.75)
Transfer to Statutory reserve	1,427.31			(1,427.31)			-
ESOP Cost recognised during the year	-	300.81	-	-	-	-	300.81
Premium received during the year	-	-	2,665.00	-	-	-	2,665.00
Profit / (loss) for the year	-	-	-	7,136.55	-	-	7,136.55
Other Comprehensive Income for the year	-	-	-	-	(762.17)	(91.29)	(853.46)
Less: Income Tax	-	-	-	-	191.82	22.98	214.80
Total transfers/appropriations during the period	1,427.31	300.81	2,665.00	5,708.49	(570.35)	(68.31)	9,462.95
Balance as at March 31, 2024	1,975.07	1,557.57	66,458.30	(12,549.76)	(1,114.32)	(43.67)	56,283.19

Summary of material accounting policies 3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

ICAI Firm Registration No: 105146W/W100621

For and on behalf of the Board of Directors

Vinit K Jain

Partner

Membership No. 145911

Place: Mumbai

Date: May 16, 2025

Dhruv Kumar Khaitan

Director

DIN 00002584

Place: Mumbai

Arun Kumar Nayyar

Managing Director & CEO

DIN 06804277

Place: Mumbai

Deepak Goswami

Chief Financial Officer

Place: Mumbai

Rohit Rai

Company Secretary

(ACS: 35505)

Place: Mumbai

Date: May 16, 2025

Cash Flow Statement

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Operating activities		
Profit / (Loss) before tax	1,212.33	9,533.15
Adjustments to reconcile profit before tax to net cash flows:		
Effective Interest Rate adjustment in Borrowings	(275.14)	(299.68)
Interest Income on security deposits	(42.05)	(37.88)
Net gain on derecognition of Loan Assets	(673.11)	(953.51)
Net Gain on fair value of Investments	(506.72)	(376.03)
Profit on sale of property, plan and equipment	(2.66)	(0.72)
Interest on Lease liability	402.62	85.35
Interest on Debt Securities	6,504.36	6,348.32
Interest on Borrowings	17,742.07	12,158.63
Depreciation, amortisation and impairment	1,071.12	771.17
Share based Payments	881.78	300.81
Impairment on financial instruments	27,953.99	15,034.13
ECL charge on reversal of modification loss netted in interest income	(74.98)	36.70
Working capital changes		
(Increase) /Decrease in Loan	(23,431.26)	(102,565.78)
(Increase) /Decrease in Receivables	289.80	1,090.59
(Increase) /Decrease in Other Financial Assets	650.10	(1,124.74)
(Increase) /Decrease in Other Non Financial Assets	(54.75)	(76.44)
(Increase) /Decrease in Bank balance other than cash and cash equivalents	244.61	(317.91)
Increase /(Decrease) in Trade payable	(850.45)	564.31
Increase /(Decrease) in Other financial liabilities	(1,358.89)	1,478.83
Increase /(Decrease) in Provisions	(1,282.34)	(853.70)
Increase /(Decrease) in Other non-financial Liabilities	(75.47)	230.50
Interest paid on Debt Securities and Borrowings	(22,879.39)	(17,694.16)
Income tax paid / refund received (Net of refunds / payments)	(2,322.17)	(641.12)
Net cash flows used in operating activities	3,123.40	(77,309.18)
Investing activities		
Proceeds from sale of property, plant and equipment	5.25	0.75
Purchase of property, plant and equipment	(283.90)	(64.39)
Intangible assets under development	(110.36)	(229.84)
Purchase of intangible assets	(3.78)	-
Proceeds from Redemption of Units in Mutual Funds	438,753.72	335,455.22
Purchase of Units in Mutual Funds	(438,247.00)	(335,079.19)
Investments in Mutual Fund at fair value through profit and loss		
Net cash flows from investing activities	113.93	82.55

Cash Flow Statement

for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Financing activities		
Debt securities issued	46,845.86	25,420.00
Debt securities repaid	(37,102.21)	(29,016.65)
Borrowings other than debt securities taken	110,648.79	145,231.76
Borrowings other than debt securities repaid	(122,077.37)	(65,335.62)
Lease liability paid including transaction cost incurred	(1,147.89)	(845.35)
Net cash flows from financing activities	(2,832.82)	75,454.14
Net (decrease) / increase in cash and cash equivalents	404.51	(1,772.49)
Cash and cash equivalents at beginning	15,750.26	17,522.75
Cash and cash equivalents at the end (refer Note 4)	16,154.77	15,750.26
Operational cash flows from interest and dividends		
Interest paid	22,879.39	17,694.16
Short-term lease payments	0.85	8.08

Notes :

- The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'
- Components of cash and cash equivalents are disclosed in Note 4.
- For disclosures relating to changes in liabilities arising from financing activities, refer Note 39.
- CSR expense incurred in cash during the year is ₹40.67 lakhs

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

ICAI Firm Registration No: 105146W/W100621

For and on behalf of the Board of Directors

Vinit K Jain

Partner

Membership No. 145911

Place: Mumbai

Date: May 16, 2025

Dhruv Kumar Khaitan

Director

DIN 00002584

Place: Mumbai

Arun Kumar Nayyar

Managing Director & CEO

DIN 06804277

Place: Mumbai

Deepak Goswami

Chief Financial Officer

Place: Mumbai

Rohit Rai

Company Secretary

(ACS: 35505)

Place: Mumbai

Date: May 16, 2025

Notes to financial statements

for the year ended March 31, 2025

Accounting Policies

Note 1: Corporate Information

NeoGrowth Credit Private Limited (the 'Company' or 'NeoGrowth') is a Private Limited Company domiciled in India and incorporated on May 17, 1993 under the provisions of Companies Act, 1956. The Company has received a Certificate of Registration from the Reserve Bank of India ('RBI') under Section 45 - IA of the Reserve Bank India Act, 1934 on September 13, 2001 to commence / carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits. Presently the Company is engaged in providing business loans to small and medium enterprise. The financial statements has been approved in its Board meeting held on May 16, 2025.

Note 2: Statement of compliance

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by the Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations which require a different treatment. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

Further, the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020.

Accounting policies have been consistently applied.

Basis of preparation and presentation

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Presentation of financial statements:

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in "Note 38: Maturity Profile".

b. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c. Functional and presentation currency

The financial statements are presented in Indian Rupees which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates and all values are rounded to the nearest lakhs, except when otherwise indicated.

Note 3: Material accounting policies

3.1. Use of estimates, judgments and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods.

Material accounting estimates and judgements are used in various line items in the financial statements are as below:

- Impairment of financial assets [Refer note no. 3.20, 8 and 30]
- Lease [Refer note no. 3.6, 11 and 19.1]

3.2. Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

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

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights

Notes to financial statements

for the year ended March 31, 2025

and obligations and sets out the criteria for every contract that must be met.

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

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

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

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

a.) Interest and similar Income

Under Ind AS 109 interest income is recorded using the Effective Interest Rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

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

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

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset and equivalent impairment provision is created. If the financial assets cures and is no longer credit-impaired, the company reverts to calculating interest income on a gross basis.

Gains arising out of de-recognition transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the transaction is entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate is recorded upfront in the statement of profit and loss. EIS is evaluated and adjusted for ECL, expected prepayment & expected collection cost.

- b.) All other charges such as cheque return charges, overdue charges etc are recognised on realization basis. For term loans, these charges are treated to accrue on realization, due to the uncertainty of their realization. For other loan assets, charges are accounted on accrual basis.
- c.) Revenue from fee-based activities are recognized as and when the services are rendered. Fees earned from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed). Fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement/participation, syndication fees, consortium fees, are recognised on completion of the underlying transaction.
- d.) The Company designates certain financial assets for subsequent measurement at Fair Value Through Profit or Loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis.

Notes to financial statements

for the year ended March 31, 2025

3.3. Property, Plant and equipment (PPE)

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on fixed assets is calculated using the Written Down Value (WDV) method and Straight Line Method (SLM) as per the remaining useful life of assets estimated by the management.

The estimated useful lives are, as follows:

Particulars	Useful Life of Assets	Depreciation Method
Leasehold Improvements	As per Lease period	SLM
Office Equipments	5 years	WDV
Computers		
Servers	6 years	WDV
Others	3 years	WDV
Software		
Advance Suite	7 years	SLM
PayLater Software	5 years	SLM
SUN Infor	3 years	SLM
Customer Relationship Management 2.0	4 years	SLM
Furniture & Fixtures	10 years	WDV

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Accelerated depreciation is used for assets amounting to less than ₹ 5,000.

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

Property and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other operating income in the Statement of profit and loss in the year in which the asset is derecognised.

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.4. Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the company. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

3.5. Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

3.6. Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Company as a lessee

Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. 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 Company assesses whether:

- i. The contract involves the use of an identified asset, this may be specified explicitly or implicitly.
- ii. The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and
- iii. The Company has right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after April 1, 2018

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

Recognition of right of use asset

The Company recognises a right of use asset at the lease commencement date of lease and comprises of the initial lease liability amount, plus any indirect costs incurred.

Subsequent measurement of right of use asset

The right of use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term, whichever is lesser. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability.

Recognition of lease liability

The lease liability is initially measured at the present value of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate.

Subsequent measurement of lease liability

Lease liability is measured at amortised cost using the effective interest method. The lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. Whenever the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in profit or loss of the carrying amount of the right of use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected by class of underlying asset to not recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months and leases for which the underlying asset is of low value.

In case of short-term leases and leases for which the underlying asset is of low value, the company has elected not to apply the requirements of Ind AS 116 and the lease payments associated with those leases are recognised as an expense on a straight-line basis.

3.7. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognises

Notes to financial statements

for the year ended March 31, 2025

contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

The company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The fund is administered by Life Insurance Corporation of India (LIC). The gratuity liability is calculated using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods. The effect of any planned amendments are recognised in Statement of Profit and Loss.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the Statement of Profit and Loss during the year.

Long-term employee benefits

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

Compensated absence

Compensated absence which is a defined benefit, is accrued based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

Share-based Payment Arrangements

Share-based Payment Arrangements estimating fair value for share-based payment transactions requires use of an appropriate valuation model. The Company measures the cost of equity-settled transactions with Option holders using Black-Scholes Model to determine the fair value of the options on the grant date.

Inputs into the valuation model, includes assumption such as the expected life of the share option, volatility and dividend yield.

The fair value of the options determined at grant date is accounted as employee compensation cost over the vesting period on a straight line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity.

3.8. Foreign currency translation

Functional and presentational currency - The financial statements are presented in INR which is also functional currency of the company.

Transactions and balances - Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction.

Notes to financial statements

for the year ended March 31, 2025

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences arising on non-trading activities are taken to other income/expense in the statement of profit and loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

3.9. Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs based on Effective Interest Rate method (EIR), incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

3.10. Taxes

Income tax expense comprises of current and deferred tax. Current / Deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income in which case the related income tax is also recognised accordingly. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority. The Company only off-sets its deferred tax assets against liabilities when there is both a legal right to offset and it is the Company's intention to settle on a net basis.

i) Current Taxes

Current tax is the amount of income taxes payable/ receivable in respect of taxable profit/ loss for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid

to, the taxation authorities. Interest income / expenses and penalties, if any, related to income tax are included in current tax expense. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the end of reporting date in India where the Company operates and generates taxable income.

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

ii) Deferred Taxes

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to

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for the year ended March 31, 2025

allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit 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 outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred taxes are recognised as income tax benefits or expenses in the Statement of profit and loss except for tax related to the fair value re-measurement of financial assets classified through other comprehensive income, foreign exchange differences and the net movement on cash flow hedges, which are charged or credited to Other Comprehensive Income (OCI). These exceptions are subsequently reclassified from OCI to the statement of profit and loss together with the respective deferred loss or gain. The Company also recognises the tax consequences of payments and issuing costs, related to financial instruments that are classified as equity, directly in equity.

3.11. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during the year.

As per Ind AS 33, Para 23 "" Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date

the contract is entered into. Consequently CCPS has been included in the computation of Basic EPS.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of company (after adjusting for interest on the convertible preference shares, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

3.12. Share based payment

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of equity instruments at the grant date. Details regarding determination of the fair value of equity settled share based payments transactions are set out in Note 36.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based payments reserve.

On cancellation or lapse of option granted to employees, the compensation cost charged to statement of profit & loss is credited with corresponding decrease in equity.

On modification of terms of the ESOP scheme, the Company shall include the incremental fair value granted in the measurement of the amount recognised for services received as consideration for the equity instruments granted. The incremental fair value granted is the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification. If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognised for services received over the period from the modification date until the date when the modified equity instruments vest, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognised over the remainder of the original

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vesting period. If the modification occurs after vesting date, the incremental fair value granted is recognised immediately, or over the vesting period if the employee is required to complete an additional period of service before becoming unconditionally entitled to those modified equity instruments.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.13. Provisions and other Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The increase in the provision due to un-winding of discount over passage of time is recognised within finance costs. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement in other operating expenses.

Where it is more likely that no present obligation exists at the end of the reporting period, the entity discloses a contingent liability, unless the possibility of an outflow of resources embodying economic benefits is remote.

3.14. Dividend on Ordinary Shares

Company recognises dividends on ordinary shares and related dividend tax as a liability and deducted from equity when they are approved by the Company's shareholders.

Proposed dividends on equity shares which are subject to approval at the annual general meeting are not recognised as a liability (including tax thereon) and is disclosed as an event after the reporting date.

3.15. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.16. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any

deferrals or accruals of past / future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.17. Expenditure on Corporate Social Responsibility (CSR)

The Company accounts the expenditure incurred towards Corporate Social Responsibility as required under the Companies Act 2013 as a charge to the statement of profit and loss, if applicable.

3.18. Determination of Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above at each balance sheet date.

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The Company's accounting policies require measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement).

Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described as follows:

Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

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

Level 3 financial instruments – Those that includes one or more unobservable input where there is little market activity for the asset/liability at the measurement date that is significant to the measurement as a whole.

3.19. 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 and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial Recognition - All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortised cost

Debt instruments at fair value through other comprehensive income (FVTOCI).

Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).

Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Financial assets measured at amortised cost

A) 'debt instrument' is measured at amortised cost if both the following conditions are met:

- a) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- b) The contractual terms of the financial 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 at fair value plus directly attributable costs, these 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 finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

The measurement of credit impairment is based on the three-stage expected credit loss model described below.

Business model: The business model reflects how the company manages the assets in order to generate cash flows. That is, whether the company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time

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value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortised cost, as mentioned above, is computed using the effective interest rate method.

Effective interest method - The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition. Transaction cost and income which is directly attributable to financial assets are amortised over the tenor of the loan. The amortised cost of the financial asset is adjusted if the company revises its estimates of payments or receipts. The adjusted amortised cost is calculated based on the original or latest re-estimated EIR and the change is recorded as 'Interest and similar income' for financial assets. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial Instrument measured at fair value through profit or loss

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVOCI criteria may be designated as at FVTPL upon initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Company's investment are classified as FVTPL, if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in

a qualifying hedge relationship. Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

Financial instruments held at fair value through profit or loss, are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise. Where a financial asset is measured at fair value, a credit valuation adjustment is included to reflect the credit worthiness of the counterparty, representing the movement in fair value attributable to changes in credit risk.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

Financial liabilities

Initial Measurement

Financial liabilities are classified and measured at amortized cost. All financial liabilities are recognized 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.

Modification of loans

The company sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the company assesses whether or not the new terms are substantially different to the original terms.

If the terms are substantially different, the company derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the company also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences

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in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or originated credit impaired financial assets (POCI).

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the company recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss to the extent that an impairment loss has not already been recorded. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Derivative financial instruments

Derivative financial instruments are contracts whose value is derived from one or more underlying price, index or other variable, and typically comprise of instruments such as swaps, forward rate agreements, futures and options. All derivatives are recognised in the balance sheet at fair value and are classified as trading except where they are designated as a part of an effective hedge relationship and classified as hedging derivatives. The carrying value of a derivative is re-measured at fair value throughout the life of the contract. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Impairment of financial assets

The company applies the expected credit loss (ECL) model for recognising impairment loss as against hitherto IRAC norms of RBI.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.

The company assesses at each reporting date whether a financial asset such as investments, loans and advances, non-fund based limits not designated

as FVTPL and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Lifetime Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

The company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

- debt instruments measured at amortised cost and fair value through other comprehensive income;
- loan commitments; and
- Financial guarantee contracts.

No ECL is recognised on equity investments.

Definition of default-

The Company considers a financial instrument defaulted and therefore classifies it as Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments and classified as NPAs as per IRAC norms of RBI.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events may include (and not be limited to):

- All the facilities of a borrower from all the borrowed accounts are treated as Stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.
- A covenant breach not waived by the Company
- The Company on selective Basis does consider restructuring of loans after due assessment of its viability from time to time, in line with regulatory /judicial norms & dispensations

PD estimation process

Probability of Default (PD) is an estimate of the likelihood of default in a homogenous pool of loans, over its performance period of following 12 month /

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lifetime horizon. PD estimation process is done based on historical & empirical internal data available with the company. 'Company calculates the 12-month PD by taking into account the past historical trends of the portfolio, credit performance including actual default data and Macro economic variables. In case of assets where there is 'a significant increase in credit risk (SICR) i.e when a borrower becomes 30 Days past Due and is classified as Stage 2, a higher PD is applied basis empirical data of such customers defaulting. 'For credit impaired assets (Stage 3), a PD of 100% is applied.

Exposure at Default (EAD)

Exposure at Default (EAD) factor is used to derive the exposure at default. It considers factorings any repayments or recoveries prior to default. The calculated EAD factor is then applied to current outstanding to determine the exposure at default.

Loss Given Default (LGD)

Loss Given Default (LGD) is an estimate of the ultimate loss arising , when a default occurs. It is based on empirical contractual realisations from credit impaired assets (i.e. Stage 3 assets) after event of default (& till the time the exposure is written off) including from the realization of any security.

Financial assets are classified through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The company has assessed that all standard advances and advances upto 30 days default (SMA 0) would fall under this category.

For these assets, 12-month ECL are recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance).

Stage 2: Lifetime ECL – not credit impaired

Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk and classified under this category. For these assets, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the asset.

Stage 3: Lifetime ECL – credit impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Credit-impaired financial assets:

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

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

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

Measurement of ECLs

The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes
- The time value of money
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

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for the year ended March 31, 2025

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the company in accordance with the contract and the cash flows that the company expects to receive.
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the company if the commitment is drawn down and the cash flows that the company expects to receive.

ECLs are recognised using a provision for doubtful debts account in profit and loss. In the case of debt instruments measured at fair value through other comprehensive income, the measurement of ECLs is based on the three-stage approach as applied to financial assets at amortised cost. The company recognises the provision charge in profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the balance sheet.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- a) Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- b) Financial guarantee contracts as a provision;
- c) Where a financial instrument includes both a drawn and an undrawn component, and

the company cannot identify the ECL on the loan commitment component separately from those on the drawn component: the company presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and

- d) Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Derecognition of financial assets and financial liabilities

Financial assets

The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit and loss.

Financial liabilities

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

Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Company has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle

Notes to financial statements

for the year ended March 31, 2025

the liability simultaneously in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. ISDAs) are only presented net when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

Hedge Accounting

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 entity will 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 ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict 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 in net gain/loss on fair value changes in the profit and loss statement. 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 the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

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.

Financial guarantee

Financial guarantee are contracts that require the Company to make specified payments to reimburse the holder for loss that it incur because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial Guarantee contract is initially recognised at Fair Value. Subsequently, this guarantee is to be measured at the higher of an amount determined based on the expected loss method (as per guidance in Ind AS 109) or the amount originally recognised less, the cumulative amount recognised as income on a straight-line basis.

Recent Accounting Pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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for the year ended March 31, 2025

Note 4: Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.97	0.87
Balances with bank	9,314.45	7,245.82
Bank deposit with original maturity of less than 3 months	6,839.35	8,503.57
TOTAL	16,154.77	15,750.26

Balances with banks earn interest at agreed fixed rates. Short term deposits are made for varying periods between one day to three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates. The Company has not taken bank overdraft against these Bank deposits, therefore the cash and cash equivalent for cash flow statement is same as cash and cash equivalent given above.

Note 5: Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity for more than 3 months	2,209.33	1,168.24
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments (under lien)*	7,562.84	8,848.54
TOTAL	9,772.17	10,016.78

*Of the above,

- Fixed Deposits amounting to ₹ 1,071.06 lakhs (March 31, 2024 - ₹ 1,597.83 lakhs) have been lien marked against Cash Credit and overdraft facility,
- ₹ 3,728.60 lakhs (March 31, 2024 - ₹ 4,039 lakhs) have been lien marked against Pass Through Certificates (PTC),
- ₹ 2,454.00 lakhs (March 31, 2024 - ₹ 2,621.14 lakhs) have been lien marked against External Commercial Borrowings (ECB) and
- ₹ 120.34 lakhs (March 31, 2024 - ₹ 440.92 lakhs) have been lien marked against Business Correspondence arrangement.

Fixed deposit earns interest at agreed fixed rates.

Note 6: Derivative financial instruments

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements. The Company has adopted hedge accounting principles as per Ind AS 109.

The table below shows the fair value of derivative financial instruments recorded as assets or liabilities together with their notional amounts and the fair values of embedded derivatives.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at March 31, 2025				As at March 31, 2024			
	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities
Part I								
(i) Currency derivatives - Currency swaps	29,837.18	711.49	-	-	27,463.25	-	-	(214.78)
(ii) Other derivatives - Cross Currency Interest Rate Swaps	24,414.44	478.96	-	-	26,113.34	63.27	-	-
Total derivative financial instruments (i+ii)	54,251.62	1,190.45	-	-	53,576.59	63.27	-	(214.78)

Notes to financial statements

for the year ended March 31, 2025

Note 6: Derivative financial instruments (contd)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities
Part II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
Cash flow hedging	54,251.62	1,190.45	-	-	53,576.59	63.27	-	(214.78)
Total Derivative Financial Instruments	54,251.62	1,190.45	-	-	53,576.59	63.27	-	(214.78)

6.1: Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 48.

6.1.1 Derivatives designated as hedging instruments

6.1.1.1 Cash flow hedges

The Company is exposed to foreign currency risk arising from its foreign currency borrowing, as well as interest rate risk on floating rate foreign currency borrowings - both aggregating to a notional amount of USD 62.4 million and EUR 3.5 million as on March 31, 2025 (as on March 31, 2024 USD 62.07 million and EUR 3.5 million.)

The Company has economically hedged

- (i) the foreign currency risk arising from the fixed rate non-INR borrowing using the cross currency swap, and
- (ii) the foreign currency risk and interest rate risk arising from the floating rate non-INR borrowing using the cross currency interest rate swap

The swap contracts above effectively convert the cash outflows of the foreign currency borrowing to fixed rate cash outflows in INR.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the all the swap contracts matches that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.).

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the derivative are identical to the hedged risk components.

To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The Company has recorded notional Cash flow hedge profit of ₹ 400.09 lakhs for the year ended March 31, 2025 (cash flow hedge loss of ₹ 762.17 lakhs for the year ended March 31, 2024) which is routed through Other Comprehensive Income. The Company has entered into effective hedge and hence such notional profit/loss would be nullified at the time of actual cash settlement. Hence Increase in equity to the extent of ₹ 299.4 lakhs (net of tax) (decrease in equity to the extent of ₹ 570.35 lakhs (net of tax) for the year ended March 31, 2024) is notional in nature.

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for the year ended March 31, 2025

Note 6: Derivative financial instruments (contd)

The impact of the hedging instruments on the balance sheet is as follows:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Notional amount	Carrying amount	Line item in the balance sheet	Notional amount	Carrying amount	Line item in the balance sheet
Cross Currency Interest Rate Swaps	24,414.44	478.96	Derivative financial instruments	26,113.34	63.27	Derivative financial instruments
Currency Swaps	29,837.18	711.49	Derivative financial instruments	27,463.25	(214.78)	Derivative financial instruments

The effect of cash flow hedge in the statement of profit or loss and other comprehensive income is as follows:

Particulars	Total hedging gain / (loss) recognised in OCI for the year ended March 31, 2025	Total hedging gain / (loss) recognised in OCI for the year ended March 31, 2024	Cash flow hedge reserve as at March 31, 2025	Cash flow hedge reserve as at March 31, 2024
External Commercial Borrowings	400.09	(762.17)	(814.92)	(1,114.32)

Note 7: Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Receivables		
Trade Receivables (Unsecured considered good)	1.35	91.14
Other Receivables (Unsecured considered good)	4.17	204.18
Less: Impairment Loss Allowance	-	(0.42)
	4.17	203.76
TOTAL	5.52	294.90

There is no due by directors or other officers of the Group or any firm or private company in which any director is a partner, a director or a member.

Trade Receivables ageing

Particulars		Outstanding for following periods from due date of payment						Total
		Unbilled & Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	As at March 31, 2025	-	1.35	-	-	-	-	1.35
	As at March 31, 2024	-	91.14	-	-	-	-	91.14

Other Receivables ageing

Particulars		Outstanding for following periods from due date of payment						Total
		Unbilled & Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Other receivables – considered good	As at March 31, 2025	4.17	-	-	-	-	-	4.17
	As at March 31, 2024	204.18	-	-	-	-	-	204.18

Notes to financial statements

for the year ended March 31, 2025

Note 8: Loans (at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Term loans	263,903.74	263,009.45
Others (Limit Loans)	643.98	2,344.31
Total - Gross	264,547.72	265,353.76
Less: Impairment loss allowance	(15,205.72)	(12,154.12)
TOTAL	249,342.00	253,199.64

Note 8.1: Nature of Loans

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Term loans	263,903.74	263,009.45
Less: Impairment loss allowance	(15,116.87)	(11,966.63)
Total - Net	248,786.87	251,042.82
(B) Others (Limit Loans)	643.98	2,344.31
Less: Impairment loss allowance	(88.85)	(187.49)
Total - Net	555.13	2,156.82

Note 8.2: Nature of Security

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Secured		
Total - Gross	225,550.69	265,353.76
Less: Impairment loss allowance	(14,630.44)	(12,154.12)
Total - Net	210,920.25	253,199.64
(B) Unsecured		
Total - Gross	38,997.03	-
Less: Impairment loss allowance	(575.28)	-
Total - Net	38,421.75	-
Net Loans	249,342.00	253,199.64

* All the loans are disbursed in India and there are no loans issued to the public sector

Summary of loans by stage distribution

Details of Company's Risk Management process and policies are set out in Note 48 - Risk Management.

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	237,000.16	9,833.84	17,713.72	264,547.72	247,593.45	8,077.33	9,682.98	265,353.76
Less: Impairment loss allowance	(3,796.21)	(1,082.80)	(10,326.71)	(15,205.72)	(5,105.20)	(1,495.77)	(5,553.15)	(12,154.12)
Net carrying amount	233,203.95	8,751.04	7,387.01	249,342.00	242,488.25	6,581.56	4,129.83	253,199.64

Gross Carrying amount and Impairment loss allowance excludes amounts written off which are still subject to enforcement activity

Notes to financial statements

for the year ended March 31, 2025

Note 8: Loans (at amortised cost) (contd)

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

Particulars	For the year ended March 31, 2025				For the year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	247,971.23	8,109.20	9,711.16	265,791.59	160,957.19	5,591.55	5,611.55	172,160.29
New assets originated or purchased #	322,188.72	2,750.50	2,690.67	327,629.89	348,298.45	1,726.73	403.50	350,428.68
Assets derecognised or repaid (excluding write offs) *	(286,326.06)	(4,497.08)	(10,493.27)	(301,316.41)	(235,437.74)	(4,765.52)	(4,559.02)	(244,762.28)
Transfers to/from Stage 1	2,152.35	(1,813.37)	(338.98)	-	1,778.15	(1,640.68)	(137.47)	-
Transfers to/from Stage 2	(47,615.11)	47,615.11	-	-	(27,323.59)	27,353.28	(29.69)	-
Transfers to/from Stage 3	(182.71)	(42,046.00)	42,228.71	-	(288.72)	(20,070.56)	20,359.28	-
Assets written Off	(605.71)	(250.40)	(25,915.38)	(26,771.49)	(12.51)	(85.60)	(11,936.99)	(12,035.10)
Closing balance before Unamortised Costs	237,582.71	9,867.96	17,882.91	265,333.58	247,971.23	8,109.20	9,711.16	265,791.59
Unamortised Costs including any Modification Gain/ (Loss)	(582.55)	(34.12)	(169.19)	(785.86)	(377.78)	(31.87)	(28.18)	(437.83)
Gross carrying amount closing balance	237,000.16	9,833.84	17,713.72	264,547.72	247,593.45	8,077.33	9,682.98	265,353.76

Note:

New assets originated or purchased includes interest accruals during the year.

*Assets derecognised during the year includes details of the transfers through assignment in respect of loans, not in default during the year.

Reconciliation of ECL balance is given below:

Particulars	For the year ended March 31, 2025				For the year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	5,106.23	1,496.03	5,559.42	12,161.68	3,565.67	225.17	3,670.38	7,461.22
Impact of changes in credit risk including New Credit Exposures	(1,410.81)	4,785.74	13,682.08	17,057.01	1,992.95	1,322.97	8,736.31	12,052.23
Transfers to/from Stage 1	1,220.64	(389.14)	(831.50)	-	341.71	(76.02)	(265.69)	-
Transfers to/from Stage 2	(1,105.51)	1,105.51	-	-	(783.94)	796.94	(13.00)	-
Transfers to/from Stage 3	(7.63)	(5,892.67)	5,900.30	-	(10.16)	(773.02)	783.18	-
Assets written Off	(6.43)	(22.33)	(13,902.79)	(13,931.55)	-	(0.01)	(7,351.76)	(7,351.77)
Closing balance before Unamortised Costs	3,796.49	1,083.14	10,407.51	15,287.14	5,106.23	1,496.03	5,559.42	12,161.68
ECL on Modification Gain/(Loss)	(0.28)	(0.34)	(80.80)	(81.42)	(1.03)	(0.26)	(6.27)	(7.56)
ECL allowance - closing balance	3,796.21	1,082.80	10,326.71	15,205.72	5,105.20	1,495.77	5,553.15	12,154.12

The overall Provision Coverage Ratio is 5.75% as at March 31, 2025 (4.58% as at Mar 31, 2024).

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for the year ended March 31, 2025

Note 9: Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured considered good, unless stated otherwise		
Security deposits	362.04	712.29
Others		
Other receivables	2,335.08	2,050.79
Less: Impairment allowance	(1,878.23)	(1,435.86)
Excess Interest Spread (EIS) on Direct Assignment	362.00	530.95
Less: Impairment allowance on EIS on Direct Assignment	(49.90)	(20.96)
TOTAL	1,130.99	1,837.21

Note 10: Property, Plant and Equipment

Particulars	Leasehold improvement	Office equipment	Computer Equipment	Furniture & Fixtures	Total
Cost:					
As at April 1, 2023	74.52	70.65	241.11	60.87	447.15
Additions	8.88	10.70	43.81	1.13	64.52
Disposals	-	(5.28)	(23.42)	(0.27)	(28.97)
As at March 31, 2024	83.40	76.07	261.50	61.73	482.70
Additions	17.76	42.85	221.46	1.83	283.90
Disposals	-	(14.74)	(14.93)	(35.15)	(64.82)
As at March 31, 2025	101.16	104.18	468.03	28.41	701.78
Depreciation and impairment:					
As at April 1, 2023	55.04	54.06	189.61	41.19	339.90
Depreciation charge for the year	17.91	14.12	49.39	5.49	86.91
Disposals	-	(5.25)	(23.42)	(0.27)	(28.94)
As at March 31, 2024	72.95	62.93	215.58	46.41	397.87
Depreciation charge for the year	12.86	20.41	95.54	7.24	136.05
Disposals	-	(14.62)	(14.99)	(32.62)	(62.23)
As at March 31, 2025	85.81	68.72	296.13	21.03	471.69
Net book value:					
As at March 31, 2024	10.45	13.14	45.92	15.32	84.83
As at March 31, 2025	15.35	35.46	171.90	7.38	230.09

Note : The company has not done any revaluation in respect of the above Property, plant and equipment during the year.

Note 11: Right-of-use assets

Particulars	Right-of-use assets
Cost:	
As at April 1, 2023	3,373.89
Additions	489.16
Adjustments	(354.08)
Disposals	(414.84)
As at March 31, 2024	3,094.13
Additions	3,434.05
Disposals	(1,595.05)
As at March 31, 2025	4,933.13

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for the year ended March 31, 2025

Note 11: Right-of-use assets (contd)

Particulars	Right-of-use assets
Depreciation and impairment:	
As at April 1, 2023	1,804.35
Depreciation charge for the year	667.69
Adjustments	70.20
Disposals	(398.58)
As at March 31, 2024	2,143.66
Depreciation charge for the year	923.19
Disposals	(1,595.05)
As at March 31, 2025	1,471.80
Net book value:	
As at March 31, 2024	950.47
As at March 31, 2025	3,461.33

Note 12: Intangible assets under development

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	331.77	101.93
Addition during the period	110.36	229.84
Move to Intangible assets	-	-
Closing Balance	442.13	331.77

As at March 31, 2025

Intangible assets under development ageing	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	110.36	229.84	101.93	-	442.13

As at March 31, 2024

Intangible assets under development ageing	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	229.84	101.93	-	-	331.77

Note : Above Intangible asset under development has not exceeded its cost compared to its original plan.

Note 13: Other intangible assets

Particulars	Computer Software
Cost:	
As at April 1, 2023	227.23
Additions	-
Disposals	-
As at March 31, 2024	227.23
Additions	3.78
Disposals	-
As at March 31, 2025	231.01
Accumulative amortisation and impairment:	
As at April 1, 2023	188.97
Amortisation charge for the year	16.69
As at March 31, 2024	205.66
Amortisation charge for the year	11.88

Notes to financial statements

for the year ended March 31, 2025

Note 13: Other intangible assets (contd)

Particulars	Computer Software
As at March 31, 2025	217.54
Net book value:	
As at March 31, 2024	21.57
As at March 31, 2025	13.47

Note 14: Other non-financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	348.51	241.48
Goods & Service Tax credit (input) receivable	275.69	186.88
Advance to vendors	85.78	234.24
Advance to Staff	22.49	28.23
Other Assets	13.11	-
TOTAL	745.58	690.83

Note 15: Current Tax Asset (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax and TDS receivable (Net of provision)	978.80	25.05
TOTAL	978.80	25.05

Note 16: Trade Payable

Particulars		Outstanding for following periods from due date of payment					Total
		Not yet due	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) MSME	As of March 31, 2025	209.97	10.39	0.07	-	-	220.43
	As of March 31, 2024	-	43.68	1.55	0.20	-	45.43
(ii) Others	As of March 31, 2025	666.85	45.81	5.26			717.92
	As of March 31, 2024	1,524.66	153.53	45.90	16.02	3.26	1,743.37
TOTAL	As of March 31, 2025	876.82	56.20	5.33	-	-	938.35
	As of March 31, 2024	1,524.66	197.21	47.45	16.22	3.26	1,788.80

Notes:

The Following details relating to Micro, Small and Medium Enterprises shall be disclosed:

- The Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.
 - Principal is ₹ 10.46 lakh as on March 31, 2025 (₹ 45.43 lakhs in March 31, 2024)
 - Interest is Nil as on March 31, 2025. (Nil in March 31, 2024)
- The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year: Current year Nil (Previous year Nil).
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act : Current year Nil (Previous year Nil).
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 : Current year Nil (Previous year Nil).

Notes to financial statements

for the year ended March 31, 2025

Note 17: Debt securities

Particulars	As at March 31, 2025 Amortised cost	As at March 31, 2024 Amortised cost
Liability component of compound financial instruments	15.07	15.07
Non Convertible Debentures (Secured)		
Privately placed debentures	54,480.47	46,275.48
Commercial paper (Unsecured)	2,441.56	-
TOTAL	56,937.10	46,290.55
Debt securities in India	56,937.10	46,290.55
Debt securities outside India	-	-
TOTAL	56,937.10	46,290.55

Particulars of Privately Placed Redeemable Non Convertible Debentures (Secured):

Redemption Date	Put/Call option date	Repayment details	Face Value (₹)	Interest Rate	As at March 31, 2025	As at March 31, 2024
September 25, 2024	-	Four Equal Instalments	100,000	11.25%	-	2,000.00
October 28, 2024	-	Bullet	100,000	11.25%	-	2,500.00
December 9, 2024	-	Four Equal Instalments	1,000,000	11.65%	-	3,700.00
December 22, 2024	-	Five Equal Instalments	100,000	11.25%	-	1,800.00
March 30, 2025	March 30, 2024	Six Equal Instalments	1,000,000	13.00%	-	666.67
August 26, 2025	March 20, 2025	Five Instalments	100,000	12.55%	2,000.00	2,000.00
September 03, 2025	September 03, 2025	Bullet	1,000,000	12.80%	6,200.00	6,200.00
February 13, 2026	-	Two Instalments	1,000,000	11.62%	-	-
February 27, 2026	-	Eight Equal Instalments	100,000	11.75%	3,250.00	6,500.00
February 28, 2026	August 28, 2024	Bullet	100,000	13.80%	2,500.00	2,500.00
June 18, 2024	-	Two Instalments	100,000	11.71%	-	2,450.00
July 19, 2026	-	Four Equal Instalments	1,000,000	12.90%	6,000.00	6,000.00
July 20, 2026	-	Bullet	100,000	12.75%	2,020.00	2,020.00
June 27, 2024	-	Four Equal Instalments	100,000	11.50%	-	725.00
August 26, 2027	-	Two Instalments	100,000	11.58%	3,080.00	3,080.00
December 07, 2024	-	Six Equal Instalments	100,000	12.00%	-	500.00
March 10, 2027	March 10, 2025	Bullet	1,000,000	12.55%	-	2,000.00
June 07, 2026	June 27, 2025	Five Instalments	100,000	12.00%	900.00	1,300.00
August 17, 2025	-	Three Instalments	100,000	11.60%	833.33	-
May 21, 2026	-	Six Instalments	100,000	12.00%	2,075.00	-

Notes to financial statements

for the year ended March 31, 2025

Note 17: Debt securities (contd)

Redemption Date	Put/Call option date	Repayment details	Face Value (₹)	Interest Rate	As at March 31, 2025	As at March 31, 2024
March 07, 2026	-	Seven Instalments	100,000	11.75%	1,371.43	-
June 27, 2029	-	Two Instalments	100,000	12.15%	4,688.00	-
June 27, 2029	-	Two Instalments	100,000	12.15%	4,688.00	-
August 21, 2027	-	Bullet	100,000	11.70%	10,000.00	-
November 29, 2026	-	Bullet	100,000	11.70%	4,200.00	-
TOTAL					53,805.76	45,941.67
Add: Interest Component (including EIR)					674.71	333.81
TOTAL					54,480.47	46,275.48

Security details for Non Convertible Debentures ('NCDs')

All the secured non-convertible debentures of the Company are fully secured by exclusive first charge on certain identified receivables of the Company to the extent stated in the respective Information Memorandum / Security Documents. Further, the Company has, at all times, maintained sufficient asset cover to discharge the principal amount, interest accrued thereon and such other sums as mentioned therein, as per the respective Information Memorandum / Security documents.

Non - Convertible Debentures Maturity:

Particulars	As at March 31, 2025	As at March 31, 2024
0 - 1 Year	26,455.12	22,532.60
1- 3 Years	28,024.42	23,742.57
3- 5 Years	0.93	0.31
More than 5 Years	-	-
TOTAL	54,480.47	46,275.48

Commercial Paper Maturity:

Particulars	As at March 31, 2025	As at March 31, 2024
0 - 1 Year	2,441.56	-
1- 3 Years	-	-
3- 5 Years	-	-
More than 5 Years	-	-
TOTAL	2,441.56	-

Liability component of compound financial instruments Maturity:

Particulars	As at March 31, 2025	As at March 31, 2024
0 - 1 Year	-	-
1- 3 Years	-	-
3- 5 Years	-	-
More than 5 Years	15.07	15.07
TOTAL	15.07	15.07

Notes to financial statements

for the year ended March 31, 2025

Note 18: Borrowings other than debt securities

Particulars	As at March 31, 2025 Amortised cost	As at March 31, 2024 Amortised cost
Term Loan		
from bank in INR (secured)	11,756.13	19,159.31
from other party in INR (secured)	46,084.01	45,866.77
Cash credit / Overdraft facilities from banks (secured)	-	1,179.43
External Commercial Borrowings (secured)	57,525.87	55,807.58
Pass Through Certificates (secured)	41,940.89	45,591.51
TOTAL	157,306.90	167,604.60
Borrowings in India	99,781.03	111,797.02
Borrowings outside India	57,525.87	55,807.58
TOTAL	157,306.90	167,604.60

The Company reports covenant breaches to its lenders on regular basis. However, the Company has obtained covenant waiver/no action letters/amendment letters in respect of these covenant breaches from lenders. No loans have been recalled by any of the lender due to covenant breaches for the year ended March 31, 2025 and for the year ended on March 31, 2024.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed monthly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Term loan maturity:

Particulars	Interest Rate March 31, 2025	Interest Rate March 31, 2024	As at March 31, 2025	As at March 31, 2024
0 - 1 Year			43,194.69	44,186.06
1- 3 Years			14,645.45	20,840.02
3- 5 Years	10.65% - 14.15%	10.65% - 14.15%	-	-
More than 5 Years			-	-
TOTAL			57,840.14	65,026.08

Cash credit / Overdraft facilities from banks maturity:

Particulars	Interest Rate March 31, 2025	Interest Rate March 31, 2024	As at March 31, 2025	As at March 31, 2024
0 - 1 Year			-	1,179.43
1- 3 Years			-	-
3- 5 Years	10.10% - 12.90%	6.8% - 12.75%	-	-
More than 5 Years			-	-
TOTAL			-	1,179.43

External Commercial Borrowings maturity:

Particulars	Interest Rate March 31, 2025	Interest Rate March 31, 2024	As at March 31, 2025	As at March 31, 2024
0 - 1 Year			27,540.84	5,784.85
1- 3 Years			26,050.78	47,297.63
3- 5 Years	4.25% - 10.98%	4.25% - 10.98%	1,654.81	2,725.10
More than 5 Years			2,279.44	-
TOTAL			57,525.87	55,807.58

Notes to financial statements

for the year ended March 31, 2025

Note 18: Borrowings other than debt securities (contd)

Pass Through Certificates maturity:

Particulars	Interest Rate March 31, 2025	Interest Rate March 31, 2024	As at March 31, 2025	As at March 31, 2024
0 - 1 Year	11.10% - 11.65%	11.10% - 12.15%	32,302.03	39,144.50
1 - 3 Years			9,638.86	6,447.01
3 - 5 Years			-	-
More than 5 Years			-	-
TOTAL			41,940.89	45,591.51

Note 19: Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities for premises on rent (refer Note 19.1)	3,575.15	1,067.14
Merchant balances	677.94	1,237.24
Other liabilities	1,050.17	1,849.76
TOTAL	5,303.26	4,154.14

Note 19.1: Lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities for premises on rent	3,575.15	1,067.14
TOTAL	3,575.15	1,067.14

Maturity analysis of contractual undiscounted cash flow

Particulars	As at March 31, 2025	As at March 31, 2024
Less than 1 year	1,142.42	500.11
1 - 5 years	3,392.92	726.97
6 - 10 years	69.43	109.28
More than 10 years	-	-
TOTAL	4,604.77	1,336.36

Maturity analysis of lease liability

Particulars	As at March 31, 2025	As at March 31, 2024
Within 12 months	745.35	398.67
After 12 months	2,829.80	668.47
TOTAL	3,575.15	1,067.14

Amount recognised in the statement of profit & loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on lease liability	402.62	85.35
Depreciation on right-of-use asset	923.19	667.69
Gain/(loss) on pre-mature lease closure	-	122.29
TOTAL	1,325.81	875.33

Notes to financial statements

for the year ended March 31, 2025

Note 19: Other financial liabilities (contd)

The following is the movement in lease liabilities for the year ended March 31, 2025:

Particulars	Amount
Balance as at April 1, 2023	1,800.74
Add: Finance Cost accrued during the year	85.35
Add: Finance Cost reversed due to foreclosure during the year	122.29
Add: Lease liability recognised during the year (Net of foreclosure)	(69.14)
Less: Payment of Lease Liabilities	(872.10)
Balance as at March 31, 2024	1,067.14
Add: Finance Cost accrued during the year	402.62
Add: Lease liability recognised during the year (Net of foreclosure)	3,246.86
Less: Payment of Lease Liabilities	(1,141.47)
Balance as at March 31, 2025	3,575.15

Note 20: Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits		
- Gratuity (refer Note 37)	146.28	298.03
- Provision for compensated absences (refer Note 37)	55.32	41.05
- Retention and performance bonus	568.89	800.61
Provision for Stock Appreciation Rights (SAR)	118.68	116.45
Financial Guarantee	8.78	324.43
Others	4.94	4.20
TOTAL	902.89	1,584.77

Note 20.1 - Retention and performance bonus includes Value distribution scheme -

During year ended March 31, 2022, The company cancelled VDS scheme through Board Resolution dated November 18, 2021 except for 2 employees for whom the VDS scheme will continue as per the original terms of VDS scheme.

Details of activity under Value Distribution Scheme (VDS) is summarized below:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance of provision	17.61	16.03
Change in employee compensation cost for the year	0.41	1.58
Closing balance of provision for VDS	18.02	17.61

Note 20.2 - Stock Appreciation Rights (SAR Plan 2015)

SAR grants was cancelled by the shareholders at their Extra Ordinary General Meeting held on November 30, 2017. The SAR's already granted to continuing employees as on March 31, 2018 is replaced by the Employee Stock Options under the ESOP 2017 scheme at the Special resolution passed by the members on November 30, 2017. The vesting schedule of each employee under ESOP scheme is aligned to the vesting schedule as per the original SAR scheme except the first vesting shall happen only after completion of 12 months from the date of the grant of option under ESOP scheme 2017.

Details of activity under SARs is summarized below:

Particulars	As at March 31, 2025 Nos	As at March 31, 2024 Nos
SARs Outstanding at the beginning of the year	169,400	169,400
Outstanding at the end of the year	169,400	169,400
Total Liability of SAR (₹ In lakhs)	118.68	116.45

Notes to financial statements

for the year ended March 31, 2025

Note 20: Provisions (contd)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance of provision for SARs	116.45	107.66
Change in employee compensation cost pertaining to SARs for the year	2.23	8.79
Closing balance of provision for SARs (Net off)	118.68	116.45

Note 20.3 - Movement of provisions other than employee benefit during the year

The movement in provisions for the year ended March 31, 2025 is, as follows:

Particulars	Litigation*	Other	Total
As at March 31, 2023	20.00	3.44	23.44
Additional provisions during the year	-	0.76	0.76
Utilised (Incurred or charged against that provision)	-	-	-
As at March 31, 2024	20.00	4.20	24.20
Additional provisions during the year	-	0.74	0.74
Utilised (Incurred or charged against that provision)	-	-	-
As at March 31, 2025	20.00	4.94	24.94

* Included in Trade Payable (Note 16)

Note 20A: Current tax liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for tax (Net of Advance tax and TDS receivable)	-	90.75
TOTAL	-	90.75

Note 21: Other non-financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	493.12	568.59
TOTAL	493.12	568.59

Note 22: Share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
2,10,00,000 (March 31, 2024: 2,10,00,000) equity shares of ₹ 10 each	2,100.00	2,100.00
9,60,00,000 (March 31, 2024: 9,60,00,000) preference shares of ₹ 10 each	9,600.00	9,600.00
TOTAL	11,700.00	11,700.00
Issued, Subscribed and Fully paid-up Share Capital		
1,80,00,700 (March 31, 2024: 1,80,00,700) equity shares of ₹ 10 each	1,800.07	1,800.07
7,53,69,526 (March 31, 2024: 7,53,69,526) Preference Shares of ₹ 10 each	7,536.95	7,536.95
TOTAL	9,337.02	9,337.02

Notes to financial statements

for the year ended March 31, 2025

Note 22: Share capital (contd)

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

Particulars	Equity	
	Numbers	Amount
As at April 1, 2023	18,000,700	1,800.07
Issued during the year	-	-
As at March 31, 2024	18,000,700	1,800.07
Issued during the year	-	-
As at March 31, 2025	18,000,700	1,800.07

Rights, preferences and restrictions attached to Equity Shares:

The Company has a single class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. During the year ended March 31, 2025, the amount of per share dividend recognized as distributions to equity shareholders was Nil (for the year ended March 31, 2024: ₹ Nil per share). In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shareholders holding more than 5% shares in the Company as on reporting date

Particulars	As at March 31, 2025			As at March 31, 2024		
	Nos.	% holding in the class	% holding in all classes	Nos.	% holding in the class	% holding in all classes
i) Dhruv Kumar Khaitan	9,000,000	49.998%	10.37%	9,000,000	49.998%	10.37%
ii) Piyush Kumar Khaitan	9,000,000	49.998%	10.37%	9,000,000	49.998%	10.37%

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer Note 36

Note 22.1: Instrument entirely Equity in nature

Particulars	Compulsory Convertible Preference Shares (CCCPS)	
	Numbers	Amount*
As at April 1, 2023	71,269,526	7,112.73
Issued during the year	-	-
CCD's converted during the year	4,100,000	409.14
As at March 31, 2024	75,369,526	7,521.87
Issued during the year	-	-
CCD's converted during the year	-	-
As at March 31, 2025	75,369,526	7,521.87

*Exclude liability component of ₹ 15.07 Lakhs

Rights, preferences and restrictions attached to Preference Shares (CCCPS):

Each holder of CCCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to CCCPS. Each share of the series A, B, C & D CCCPS shall be converted into one equity share of face value of ₹ 10 each subject to any adjustments required for any possible corporate action, e.g. share split, issue of bonus shares, etc. The Series A, B, C & D CCCPS shall be compulsorily convertible at the end of 20 (twenty) years from the date of issuance of each Series CCCPS. The conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company by the respective investor. The Series A, B, C & D CCCPS shall carry a cumulative coupon rate of 0.01% per annum.

Notes to financial statements

for the year ended March 31, 2025

Note 22.1: Instrument entirely Equity in nature (contd)

Details of shareholders holding more than 5% preference shares in the Company as on reporting date

Particulars	As at March 31, 2025			As at March 31, 2024		
	Nos.	% holding in the class	% holding in all classes	Nos.	% holding in the class	% holding in all classes
Aspada Investment Company	6,580,758	8.73%	7.05%	6,580,758	8.73%	7.05%
ON Mauritius	7,098,514	9.42%	7.60%	7,098,514	9.42%	7.60%
Accion Frontier Inclusion Mauritius	6,767,305	8.98%	7.25%	6,767,305	8.98%	7.25%
IIFL Seed Ventures Fund I	5,126,512	6.80%	5.49%	5,126,512	6.80%	5.49%
Trinity Inclusion Ltd	27,205,476	36.10%	29.14%	27,205,476	36.10%	29.14%
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V	15,182,630	20.14%	16.26%	15,182,630	20.14%	16.26%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date:

Date of Allotment	Date of Conversion*	No. of shares	Share exchange ratio	Tenure
May 22, 2013	May 22, 2033	7,462,587	1:1	20
March 25, 2014	March 25, 2034	1,697,479	1:1	20
June 19, 2014	June 19, 2034	1,131,720	1:1	20
March 31, 2015	March 31, 2035	4,680,752	1:1	20
April 6, 2015	April 6, 2035	13,232	1:1	20
July 29, 2015	July 29, 2035	2,357,650	1:1	20
June 21, 2016	June 21, 2036	9,488,272	1:1	20
January 23, 2018	January 23, 2038	10,660,312	1:1	20
March 21, 2018	March 21, 2038	8,152,005	1:1	20
December 8, 2022	December 8, 2042*	10,248,243	1:1	20
December 15, 2022	December 15, 2042*	4,934,387	1:1	20
December 15, 2022	December 15, 2042*	10,442,887	1:1	20
July 18, 2023	July 18, 2043*	4,100,000	1:1	20

*The conversion can be done by preference shareholder on any date, provided 30 days advance written notice is given to the Company or ten days prior to the proposed filing of draft red herring prospectus by the Company in pursuance of 'IPO' or ten days prior to Trade Sale.

Note 23: Other Equity

Other equity movement during the year

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Reserve (pursuant to section 45-IC(1) of the Reserve Bank of India Act, 1934)		
Balance as at the beginning of the year	1,975.07	547.76
Add: Transferred from profit during the year	180.46	1,427.31
Balance at the end of the year	2,155.53	1,975.07
Securities Premium		
Balance as at the beginning and at the end of the year	66,458.30	63,793.30
Add: Premium on issue / allotment of shares	-	2,665.00
Balance as at the end of the year	66,458.30	66,458.30

Notes to financial statements

for the year ended March 31, 2025

Note 23: Other Equity (contd)

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings		
Balance as at the beginning of the year	(12,549.76)	(18,258.25)
Profit / (loss) for the year	902.32	7,136.55
Less: Dividend declared during the year on CCPS	(0.74)	(0.75)
Less: Transferred to statutory reserves during the year	(180.46)	(1,427.31)
Balance as at the end of the year	(11,828.64)	(12,549.76)
Share options outstanding account		
Balance as at the beginning of the year	1,557.57	1,256.76
Add: Cost recognised during the year	349.12	300.81
Balance as at the end of the year	1,906.69	1,557.57
Other Comprehensive Income		
Balance as at the beginning of the year	(1,157.99)	(519.33)
Add: Additions during the year	249.23	(638.66)
Balance as at the end of the year	(908.76)	(1,157.99)
TOTAL	57,783.12	56,283.19

Nature and purpose of Reserves:

Securities Premium Reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share options outstanding account:

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as per IND AS 102 'Share Based Payments', including key management personnel, as part of their remuneration. Refer to Note 36 for further details of these plans.

Cash flow hedging reserve:

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings as described within note 6. For hedging foreign currency and interest rate risk, the Company uses foreign currency swaps and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss.

Statutory reserve:

Statutory reserve is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934.

Note 24: Interest income

Particulars	For the year ended March 31, 2025 On Financial Assets measured at Amortised cost	For the year ended March 31, 2024 On Financial Assets measured at Amortised cost
Interest on Loans		
Business loans	70,968.60	56,351.30
Interest on deposits with Banks	1,093.40	1,049.40
Other interest income		
Unwinding of security deposit	42.05	37.88
TOTAL	72,104.05	57,438.58

Notes to financial statements

for the year ended March 31, 2025

Note 25: Fees and commission income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Service Fees on FI business	298.17	895.70
Service Fees on Direct Assignment	26.77	91.95
Service Fees on Securitisation	55.78	38.25
Other Fees and Charges	1,236.71	128.02
Merchant Service Fees	-	0.14
Other financial services- Commission	-	0.24
TOTAL	1,617.43	1,154.30

Note 26: Income on Derecognition of Loan Assets

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gain on derecognition of loan asset	673.11	953.51
TOTAL	673.11	953.51

Note 27: Net gain on fair value changes

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
Realised	506.72	376.04
TOTAL	506.72	376.04

Note 28: Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cheque bounce charges and Penal charges	51.03	146.96
Income from other Services	-	8.85
Interest on Income Tax Refund	15.83	44.90
Miscellaneous Income	63.29	1.36
TOTAL	130.15	202.07

Note 29: Finance Cost

Particulars	For the year ended March 31, 2025 On Financial liabilities measured at Amortised Cost	For the year ended March 31, 2024 On Financial liabilities measured at Amortised Cost
Interest expense on:-		
- Debt securities	7,054.36	6,348.32
- Borrowings (other than debt securities)	17,742.07	12,158.63
Interest expense on lease liability	402.62	85.35
Other borrowing costs		
Other borrowing cost	3,220.41	2,526.30
TOTAL	28,419.46	21,118.60

Notes to financial statements

for the year ended March 31, 2025

Note 30: Impairment on financial instruments

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument.

Particulars	For the year ended March 31, 2025 On Financial instruments measured at Amortised cost	For the year ended March 31, 2024 On Financial instruments measured at Amortised cost
Impairment loss allowance on loans	3,136.98	4,691.50
Bad debt written off	24,214.25	11,273.63
Settlement loss on Standard and NPA assets	2,557.24	761.47
Bad debts recovered	(2,534.19)	(2,803.91)
Non Fund Based Exposure	(10.40)	(13.03)
Security Deposits	-	-
Other receivables - FI business	556.86	1,106.88
Excess Interest Spread on Direct Assignment	28.95	17.59
Impairment on Other financial assets	4.30	-
TOTAL	27,953.99	15,034.13

The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

Particulars	For the year ended March 31, 2025				For the year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL provision on Loans and advances	(1,298.59)	(412.97)	4,848.54	3,136.98	1,528.92	1,273.54	1,889.04	4,691.50
Bad debts written off (net of recovery)	-	-	-	17,220.49	-	-	-	4,967.44
Principal loss on settlement	-	-	-	7,016.81	-	-	-	4,263.75
Sub - Total	(1,298.59)	(412.97)	4,848.54	27,374.28	1,528.92	1,273.54	1,889.04	13,922.69
Non Fund Based Exposure	(10.40)	-	-	(10.40)	(13.03)	-	-	(13.03)
Other receivables - FI business	-	-	556.86	556.86	-	-	1,106.88	1,106.88
Other Financial Assets	-	-	-	4.30	-	-	-	-
Excess Interest Spread on Direct Assignment	28.95	-	-	28.95	17.59	-	-	17.59
Sub - Total	18.55	-	556.86	579.71	4.56	-	1,106.88	1,111.44
Total impairment loss	(1,280.04)	(412.97)	5,405.40	27,953.99	1,533.48	1,273.54	2,995.92	15,034.13

The company periodically reviews and updates the expected credit loss model (ECL) in line with the new inputs and performance trends to reflect the reasonableness and adequacy of ECL amount recognized as at reporting date. During the year ended March 31, 2025, the Company has updated the Expected Credit Loss model (ECL) and utilized the management overlay created on Stage 2 cases amounting to ₹12.62 crore.

Note 31: Employee benefit expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, other allowances and bonus	9,608.07	7,959.04
Contribution to provident and other funds	178.36	154.58
Gratuity expenses (Refer note no 37)	93.43	81.54
Share based payments to employees (Refer note no 36)	349.12	300.81
Staff welfare expenses	346.04	337.18
TOTAL	10,575.02	8,833.15

Notes to financial statements

for the year ended March 31, 2025

Note 32: Depreciation, amortisation and impairment

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of tangible assets	136.05	86.79
Amortisation of intangible assets	11.88	16.69
Depreciation on right-of-use asset	923.19	667.69
TOTAL	1,071.12	771.17

Note 33: Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Marketing Expenses	193.54	198.15
Professional & Legal Fees	916.68	754.94
Travelling & Lodging Expenses	182.04	214.21
IT Services Expenses	763.81	596.82
Fee & Stamp Charges	1.62	0.15
Terminal deployment charges	0.17	7.74
Service Tax & GST expensed out	559.84	533.84
Rates & Taxes	-	1.03
Auditors' Remuneration (a)	51.61	43.71
Insurance expenses	19.15	3.87
Office and Maintenance Expenses	257.36	231.16
Power and Fuel Charges	125.18	128.45
Telephone & Internet Charges	146.93	117.23
Verification and Rating charges	380.57	332.80
Bank charges	54.02	76.60
Outsource Agency Cost	1,817.75	1,429.30
CSR expenses	40.67	-
Miscellaneous Expenses	288.60	164.30
TOTAL	5,799.54	4,834.30

(a) Audit Remuneration include fees payable to auditor as analysed below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditor:		
Audit fees	42.00	33.50
Certification fees	7.70	6.55
Out of Pocket expenses*	3.15	3.66
TOTAL	52.85	43.71

*The amount of ₹ 3.15 lakhs doesn't include reversal of out of pocket expenses of ₹ 1.24 lakhs from previous year.

Details of Corporate Social Responsibility

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Amount required to be spent during the year	40.67	-
b) Amount spent during the year	40.67	-
c) Amount provided as at year end	-	-
d) Amount of shortfall at the end of the year	-	-
e) Total amount of previous period shortfall	-	-

Nature of CSR activities :- Donation for Promoting Livelihood Skill Development Program, Urban Awareness and Collections, Kit Development, Material, Handling and Implementation Support, Essential Purchases and Livelihood Support, Expenses for Storage & processing space, Data & Documentation.

Notes to financial statements

for the year ended March 31, 2025

Note 34: Income Tax

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	1,526.91	1,379.37
Adjustment in respect of current income tax of prior years	(249.24)	0.11
Deferred tax charge / (credit) relating to origination and reversal of temporary differences	(967.66)	1,017.12
Total tax charge	310.01	2,396.60

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2025 and March 31, 2024 is, as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	1,212.33	9,533.15
At India's statutory income tax rate of 25.168% (for the year ended March 31, 2024: 25.168%)	305.12	2,399.30
Effects of:		
Creation of Deferred Tax on account of Other Ind AS adjustments of the previous period	4.89	(2.70)
TOTAL	310.01	2,396.60
Income tax expense reported in the statement of Profit & Loss	310.01	2,396.60

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	Other Comprehensive Income
	As at March 31, 2025	As at March 31, 2025	For the year ended March 31, 2025	For the year ended March 31, 2025
Depreciation, amortisation and impairment	62.59	-	0.06	-
Lease Adjustments	76.36	-	34.22	-
Impairment allowance for financial assets	4,219.56	-	799.14	-
Derivative instruments in Cash flow hedge relationship	274.08	-	-	(100.69)
Gratuity	36.82	-	(55.07)	16.88
ESOP Expenses	316.30	-	(75.71)	-
Excess Interest Spread on Direct Assignment	-	91.11	42.52	-
Insurance exp	-	104.72	4.92	-
Borrowing cost as per EIR (NCD) - Feb 2023	-	193.11	83.20	-
Other temporary differences includes deferred tax on employee deferred expense charge and unamortised net income on Loan, deferred tax on Allowable / disallowable expenses under Income Tax etc.	922.61	-	134.38	-
TOTAL	5,908.32	388.94	967.66	(83.81)
Net Amount	5,519.38			

Notes to financial statements

for the year ended March 31, 2025

Note 34: Income Tax (contd)

Particulars	Deferred Tax Assets As at March 31, 2024	Deferred Tax Liabilities As at March 31, 2024	Income Statement For the year ended March 31, 2024	Other Comprehensive Income For the year ended March 31, 2024
Brought Forward Loss	-	-	(2,547.71)	-
Depreciation, amortisation and impairment	62.53	-	0.55	-
Lease Adjustments	42.14	-	(40.21)	-
Impairment allowance for financial assets	3,420.42	-	1,447.23	-
Derivative instruments in Cash flow hedge relationship	374.77	-	-	191.82
Gratuity	75.01	-	16.84	22.98
ESOP Expenses	392.01	-	75.71	-
EIS on Direct Assignment	-	133.63	(95.85)	-
Insurance exp	-	109.64	(276.31)	-
Borrowing cost as per EIR (NCD) - Feb 2023	-	276.31	(109.64)	-
Other temporary differences includes deferred tax on employee deferred expense charge and unamortised net income on Loan, deferred tax on Allowable / disallowable expenses under Income Tax etc.	788.23	-	512.29	-
TOTAL	5,155.11	519.58	(1,017.10)	214.80
Net Amount	4,635.53			

Note 35: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for dividend on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit / (loss) attributable to ordinary equity holders of the parent	902.32	7,136.55
Less: Dividend to Preference Shareholders	(0.74)	(0.75)
Profit / (loss) available for equity shareholders (A)	901.58	7,135.80
Weighted average number of ordinary shares for basic earnings per share (B)	93,370,226	93,370,226
Weighted average number of ordinary shares for dilutive earnings per share (C)	94,299,054	96,807,181
Weighted average number of equity shares outstanding for the year	18,000,700	18,000,700
Weighted average number of Compulsory Cumulative Convertible Preference Shares (CCPS)	75,369,526	75,369,526
Dilutive impact of weighted average number of ESOP	928,828	3,436,955
Face value of per share (₹)	10.00	10.00
Earnings per share		
Basic earnings per share (₹) [A / B]	0.97	7.64
Diluted earnings per share (₹) [A / C]	0.96	7.37

Notes:

1. Weighted average shares mentioned above are numbers.
2. As per Ind AS 33, Para 23 "Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into". Consequently CCPS have been included in the computation of Basic EPS.

Notes to financial statements

for the year ended March 31, 2025

Note 36: Employee Stock Option Scheme (ESOS)

ESOP Scheme 2024

The Employee Stock Options Scheme (ESOP Scheme) 2024 was approved by the shareholders at their Extra Ordinary General Meeting held on May 23, 2024. The Scheme has been formulated in accordance with the provisions of the Companies Act, 2013, as amended read with applicable provisions of the Companies Rules, 2014. The Company has granted stock options to the eligible employees as per ESOP scheme 2024. All the options are exercisable on the liquidity event. The Employee Stock Option Scheme 2024 is being administered and monitored by the Nomination and Remuneration Committee of the Company set up by the Board. The Company is authorised to issue 8,00,000 (Eight Lakhs) number of equity shares of the Company having face value of ₹ 10 per share, under the ESOP Scheme 2024 to the eligible employees upon meeting of such vesting criteria as may be fixed or determined by the Board.

ESOP Scheme 2022

The Employee Stock Options Scheme (ESOP Scheme) 2022 was approved by the shareholders at their Extra Ordinary General Meeting held on December 01, 2022. The Scheme has been formulated in accordance with the provisions of the Companies Act, 2013, as amended read with applicable provisions of the Companies Rules, 2014. The Company has granted stock options to the eligible employees as per ESOP scheme 2022. All the options are exercisable within 5 yrs from Initial Public Offer (IPO) event. The Employee Stock Option Scheme 2022 is being administered and monitored by the Nomination and Remuneration Committee of the Company set up by the Board. The Company is authorised to issue 8,09,871 (Eight Lakhs Nine Thousand Eight Hundred and Seventy One) number of equity shares of the Company having face value of ₹ 10 per share, under the ESOP Scheme 2022 to the eligible employees upon meeting of such vesting criteria as may be fixed or determined by the Board.

ESOP Scheme 2018

The Employee Stock Options Scheme (ESOP Scheme) 2018 was approved by the shareholders at their Extra Ordinary General Meeting held on March 21, 2018. The Scheme has been formulated in accordance with the provisions of the Companies Act, 2013, as amended read with applicable provisions of the Companies Rules, 2014. The Company has granted stock options to the eligible employees as per ESOP scheme 2018. All the options are exercisable on liquidity event or Initial Public Offer (IPO), whichever is earlier. The Employee Stock Option Scheme 2018 is being administered and monitored by the Nomination and Remuneration Committee of the Company set up by the Board. The Company is authorised to issue 27,99,589 (Twenty Seven Lakhs Ninety Nine Thousand Five Hundred and Eighty Nine) number of equity shares of the Company having face value of ₹ 10 per share, under the ESOP Scheme 2018 to the eligible employees upon meeting of such vesting criteria as may be fixed or determined by the Board.

ESOP Scheme 2017

No further options were granted during the year under this scheme. All the options are exercisable on liquidity event or Initial Public Offer (IPO), whichever is earlier. The Board at its meeting held on March 21, 2018 approved for short closing the ESOP 2017 and approved revised ESOP 2018 scheme.

For the year ended March 31, 2024 following Employee Stock Option Plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below :

Details of Employee Stock Option Schemes	ESOP 2024	ESOP 2022	ESOP 2018	ESOP 2017
Date of Shareholder's approval of plan	May 23, 2024	December 1, 2022	March 21, 2018	November 30, 2017
Date of grant	May 23, 2024	Various dates	Various dates	Various dates
Number of options granted	800,000	869,871	2,828,884	421,000
Method of settlement	Equity	Equity	Equity	Equity
Vesting Period	4 years	Bullet Vesting	5 years	5 years
Details of vesting condition	Continued service	Continued service	Continued service	Continued service
Exercise Price	₹ 113	₹ 105.38 to ₹ 113	₹ 105.38 to ₹ 159.47	₹10 to ₹105.38

Notes to financial statements

for the year ended March 31, 2025

Note 36: Employee Stock Option Scheme (ESOS) (contd)

Details of Vesting

Vesting period from the grant date *	ESOP 2024	ESOP 2022	ESOP 2018	ESOP 2017
Completion of 1 year	15.00%	Bullet Vesting	20.00%	20.00%
Completion of 2 year	25.00%		20.00%	20.00%
Completion of 3 year	30.00%		20.00%	20.00%
Completion of 4 year	30.00%		20.00%	20.00%
Completion of 5 year	N.A.		20.00%	20.00%

* The SAR's already granted to continuing employees as on March 31, 2018 is replaced by the Employee Stock Options under the ESOP 2017 scheme at the Special resolution passed by the members on November 30, 2017. The vesting schedule of each employee under ESOP scheme is aligned to the vesting schedule as per the original SAR scheme except the first vesting shall happen only after completion of 12 months from the date of the grant of option under ESOP scheme 2017.

Details of activity under each plan

Particulars	ESOP 2022		ESOP 2018		ESOP 2017	
	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price	No. of Options*	Weighted Avg. Exercise Price
Outstanding as at April 1, 2023	789,871	105.38	2,359,884	107.74	347,200	53.06
Granted during the year	-	-	-	-	-	-
Forfeited during the year	(60,000)	-	(35,000)	-	(15,000)	-
Exercised during the year	-	-	-	-	-	-
Outstanding as at March 31, 2024	729,871	105.38	2,324,884	107.74	332,200	53.06
Outstanding as at April 1, 2024	729,871	105.38	2,324,884	107.74	332,200	53.06
Granted during the year	80,000	113.00	50,000	113.00	-	-
Forfeited during the year	(40,000)	107.79	(75,000)	105.38	-	-
Outstanding as at March 31, 2025	769,871	106.07	2,299,884	107.97	332,200	53.06
Vested and exercisable as at Mar 31, 2025	-		1,864,884		332,200	
Weighted average remaining contractual life (in years)	2.64		0.06		-	

*50,000 options have been reduced from opening balance as at April 1, 2023, as these were cash settled in the year ended March 31, 2020.

Details of activity under each plan

Particulars	ESOP 2024	
	No. of Options	Weighted Avg. Exercise Price
Outstanding as at April 1, 2024	-	-
Granted during the year	800,000	113.00
Forfeited during the year	(20,000)	113.00
Outstanding as at March 31, 2025	780,000	113.00
Vested and exercisable as at Mar 31, 2025	-	
Weighted average remaining contractual life (in years)	3.52	

For the year ended March 31, 2025, the value of the underlying shares was determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during theyear. No new ESOP's were issued in the year ended March 31, 2024.

Notes to financial statements

for the year ended March 31, 2025

Note 36: Employee Stock Option Scheme (ESOS) (contd)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Risk-free interest rate	6.73% - 7.03%	N.A
Expected life of options (years)	2.35 - 4.85 years	N.A
Expected volatility (%)	39.51% - 45.21%	N.A
Dividend yield	0%	N.A
Exercise price	113.00	N.A
Weighted average share price (₹)	106.34	N.A

The risk free interest rates are determined based on the Government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of comparable companies using standard deviation of change in stock price. The historical period is taken into account to match the expected life of the option.

The expense recognised for employee services received during the year is shown in the following table:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expense arising from equity-settled share based payment transactions	349.12	300.81
Total expense arising from share based payment transactions	349.12	300.81

Note 37: Retirement benefit plan

Note 37.1: Defined Contribution Plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 178.36 lakhs (for the year ended March 31, 2024: ₹ 154.58 lakhs) for Provident Fund contributions (including admin charges) in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Note 37.2: Defined Benefit Plan

The Company has defined benefit gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age. Gratuity expense has been disclosed separately in Note 31.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

(1) Net employee benefit expense recognised in the employee cost

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	72.28	51.49
Interest expense	25.30	16.58
Interest income	(4.15)	(6.49)
Past Service Cost	-	19.96
Total Expenses recognised in Statement of profit and loss	93.43	81.54
Remeasurement (or Actuarial) (gain) / loss arising from:		
-change in demographic assumptions	20.91	9.64
-change in financial assumptions	5.86	6.77
-experience variance (i.e. Actual experience vs assumptions)	42.15	71.81
-others		
Return on plan assets excluding interest income	(1.87)	3.07
Total Expenses recognised in other comprehensive income	67.05	91.29

Notes to financial statements

for the year ended March 31, 2025

Note 37: Retirement benefit plan (contd)

(2) Reconciliation of present value of the obligation and the fair value of plan assets:

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation	449.74	356.54
Fair value of plan assets	303.46	58.51
Asset/(liability) recognized in the balance sheet	(146.28)	(298.03)

(3) Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening defined benefit obligation	356.54	229.77
Transfer in/Out		
Interest cost	25.30	16.58
Current service cost	72.28	51.49
Benefits paid	(73.30)	(49.48)
Past Service Cost	-	19.96
Remeasurement (or Actuarial) (gain) / loss arising from:		
-change in demographic assumptions	20.91	9.64
-change in financial assumptions	5.86	6.77
-experience variance (i.e. Actual experience vs assumptions)	42.15	71.81
Closing defined benefit obligation	449.74	356.54

(4) Changes in the fair value of plan assets are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening fair value of plan assets	58.51	89.96
Transfer in/Out		
Interest income	4.15	6.49
Contributions by employer	312.23	14.61
Benefits paid	(73.30)	(49.48)
Return on plan assets excluding interest income	1.87	(3.07)
Closing fair value of plan assets	303.46	58.51

(5) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.45%	7.10%
Salary growth rate	7.00%	7.00%
Attrition rate		
Customer Acquisition Manager ('CAMS')	75%	83%
Other than CAMS	37%	47%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

Notes to financial statements

for the year ended March 31, 2025

Note 37: Retirement benefit plan (contd)

(6) Investments quoted in active markets:

Particulars	As at March 31, 2025	As at March 31, 2024
Funds managed by the insurer	100%	100%
TOTAL	100%	100%

(7) Expected payment for future years

Particulars	As at March 31, 2025	As at March 31, 2024
Within the next 12 months (next annual reporting period)	157.61	167.44
Between 2 and 5 years	301.29	222.42
Between 6 and 10 years	76.56	27.73
Beyond 10 years	9.25	1.46
Total expected payments	544.71	419.05

The Company expects to contribute ₹ 222.48 lakhs to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2025 is 2 years (as at March 31, 2024 : 2 years).

The fund is administered by Life Insurance Corporation of India ("LIC"). The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The salary growth rate indicated above is the Company's best estimate of an increase in salary for the purpose of gratuity of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at March 31, 2025	As at March 31, 2024
Defined Benefit Obligation (Base)	449.74	356.54

Particulars	As at March 31, 2025		As at March 31, 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	462.31	437.82	364.22	349.18
(% change compared to base due to sensitivity)	2.80%	-2.70%	2.20%	-2.10%
Salary Growth Rate (- / + 1%)	437.77	462.13	349.11	364.15

Notes to financial statements

for the year ended March 31, 2025

Note 37: Retirement benefit plan (contd)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Decrease	Increase	Decrease	Increase
(% change compared to base due to sensitivity)	-2.70%	2.80%	-2.10%	2.10%
Attrition Rate (- / + 50% of attrition rates)	509.62	413.40	400.25	331.87
(% change compared to base due to sensitivity)	13.30%	-8.10%	12.30%	-6.90%
Mortality Rate (- / + 10% of mortality rates)	449.71	449.77	356.52	356.57
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

The principal assumptions used in determining leave encashment obligations for the Company's plans are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of unfunded obligations	55.32	41.05
Expense recognised in the Statement of Profit and Loss	14.27	12.63
Discount rate	6.45%	7.10%
Salary growth rate	7.00%	7.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

Note 38: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	16,154.77	-	16,154.77	15,750.26	-	15,750.26
Bank Balance other than above	7,419.83	2,352.34	9,772.17	5,170.93	4,845.85	10,016.78
Derivative financial instruments	-	1,190.45	1,190.45	-	-	-
Trade receivables	1.35	-	1.35	91.14	-	91.14
Other receivables	4.17	-	4.17	195.73	8.03	203.76
Loans	150,136.50	99,205.50	249,342.00	148,349.99	104,849.65	253,199.64
Other financial assets	750.07	380.92	1,130.99	1,113.65	723.56	1,837.21
Non-financial Assets						
Current tax assets (net)	-	978.80	978.80	25.05	-	25.05
Deferred tax assets (net)	-	5,519.38	5,519.38	-	4,635.53	4,635.53
Property, plant and equipment	-	230.09	230.09	-	84.83	84.83
Right-of-use assets	-	3,461.33	3,461.33	-	950.47	950.47
Intangible assets under development	-	442.13	442.13	-	331.77	331.77
Other intangible assets	-	13.47	13.47	-	21.57	21.57
Other non financial assets	275.71	469.87	745.58	680.17	10.66	690.83
Total Assets	174,742.40	114,244.28	288,986.68	171,376.92	116,461.92	287,838.84

Notes to financial statements

for the year ended March 31, 2025

Note 38: Maturity analysis of assets and liabilities (contd)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Liabilities						
Financial Liabilities						
Trade payables						
total outstanding dues of micro enterprises and small enterprises	220.43	-	220.43	45.43	-	45.43
total outstanding dues of creditors other than micro enterprises and small enterprises	717.92	-	717.92	1,743.37	-	1,743.37
Derivative financial liabilities	-	-	-	151.51	-	151.51
Debt Securities	28,896.68	28,040.42	56,937.10	22,532.60	23,757.95	46,290.55
Borrowings (other than debt securities)	103,037.56	54,269.34	157,306.90	90,499.12	77,105.48	167,604.60
Other Financial liabilities	2,468.57	2,834.69	5,303.26	2,662.26	1,491.88	4,154.14
Non-financial Liabilities						
Current tax liabilities (net)	-	-	-	90.75	-	90.75
Provisions	633.68	269.21	902.89	1,235.87	348.90	1,584.77
Other non-financial liabilities	493.12	-	493.12	568.59	-	568.59
Total Liabilities	136,467.96	85,413.66	221,881.62	119,529.51	102,704.22	222,233.71
Net	38,274.44	28,830.62	67,105.06	51,847.42	13,757.69	65,605.13

Note:

1. In the preparation of the above disclosure, certain assumption have been considered by the management which have been relied upon by the auditors.
2. The Maturity Profile in respect of loans given has been prepared based on the contractual cash inflows from the loans disbursed agreed with customers as the company expects the behaviour to be similar.
3. The Company considers Put/Call option dates for the purpose of reporting maturity pattern of Borrowings including debt securities.

Note 39: Change in liabilities arising from financing activities

Changes in liabilities arising from financing activities

As on March 31, 2025

Particulars	As at March 31, 2024	Cash Flows (net)	Exchange difference	*Others	As at March 31, 2025
Debt Securities	46,290.55	9,743.65	-	902.90	56,937.10
Borrowings other than debt securities	167,604.60	(11,428.58)	941.88	189.00	157,306.90
TOTAL	213,895.15	(1,684.93)	941.88	1,091.90	214,244.00

As on March 31, 2024

Particulars	As at April 1, 2023	Cash Flows (net)	Exchange difference	*Others	As at March 31, 2024
Debt Securities	53,301.05	(3,596.65)	-	(3,413.85)	46,290.55
Borrowings other than debt securities	86,714.18	79,896.14	228.76	765.52	167,604.60
TOTAL	140,015.23	76,299.49	228.76	(2,648.33)	213,895.15

*Others includes amortised cost impact and incremental interest liability at the year end

Notes to financial statements

for the year ended March 31, 2025

Note 40: Contingent liabilities, commitments

(A) Contingent Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Disputed GST demand:		
Pending before appellate authorities in respect of which the Company is in appeal	36.24	32.53
TOTAL	36.24	32.53

(B) Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
Commitments related to loans sanctioned but undrawn		
PayLater Open Limits*	304.00	658.00
Other Commitments		
Capital commitments	294.30	388.26
TOTAL	598.30	1,046.26

*The limit sanctioned to the customers are unconditionally revocable at the discretion of the Company and therefore the limit is uncommitted.

Note 41: Details of transactions with struck off company / under process of strike off

Name of struck off Company/under process of strike off	Nature of transactions with struck-off Company/ under process of strike off	Principal balance as at March 31, 2025	Principal balance as at March 31, 2024	Relationship with the struck off Company, if any, to be disclosed
Maa Bhook Lagi Food Services Private Limited	Loans and Advances	1.00	2.26	Unrelated party, Customers
Suman Industries Private Limited	Loans and Advances	3.65	-	Unrelated party, Customers
Sathva Spire Technologies Private Limited	Commission agent	-	(0.03)	Unrelated party
TOTAL		4.65	2.23	

Note 42: Related party disclosures

(A) List of Related Parties with whom Company had transaction

Key Managerial Personnel

Mr. Arun Kumar Nayyar	Managing Director & Chief Executive Officer
Mr. Deepak Goswami	Chief Financial Officer (CFO)
Mr. Rohit Rai	Company Secretary (CS), appointed w.e.f. December 31, 2024
Ms. Tanushri Yewale	Company Secretary (CS), resigned w.e.f. July 17, 2024

Directors

Mr. Dhruv Kumar Khaitan	Non-Executive Director
Mr. Piyush Kumar Khaitan	Non-Executive Director
Ms. Bindu Ananth	Independent Director
Mr. Ganesh Rengaswamy	Non-Executive Director
Mr. Micheal Fernandes	Non-Executive Nominee Director
Mr. Arun Kumar Nayyar	Managing Director
Mr. Suresh Jayaraman	Independent Director
Mr. Ramakrishnan Subramanian	Non-Executive Nominee Director
Ms. P.H. Vijaya Deepti	Non-Executive Nominee Director, appointed w.e.f. September 09, 2024
Ms. Deepa Bachu	Non-Executive Nominee Director, resigned w.e.f. July 31, 2024

Notes to financial statements

for the year ended March 31, 2025

Note 42: Related party disclosures (contd)

Entity having significant influence in the Company

Trinity Inclusion Limited

(B) Related Party transactions during the period/year:

Particulars	Enterprise where Key Managerial Personnel has significant influence or control		Key Management Personnel / Managing Director		Directors		Directors relative		Entity having significant influence in the Company	
	For the year ended as at March 31, 2025	For the year ended as at March 31, 2024	For the year ended as at March 31, 2025	For the year ended as at March 31, 2024	For the year ended as at March 31, 2025	For the year ended as at March 31, 2024	For the year ended as at March 31, 2025	For the year ended as at March 31, 2024	For the year ended as at March 31, 2025	For the year ended as at March 31, 2024
Transactions										
For infrastructure maintenance charges recovered	-	8.85	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-	-	123.97
Professional fees	-	-	-	-	129.84	134.00	-	-	-	-
Remuneration										
Arun Kumar Nayyar										
-short-term employee benefits	-	-	494.64	677.88	-	-	-	-	-	-
-post-employment benefits	-	-	-	-	-	-	-	-	-	-
Deepak Goswami	-	-	-	-	-	-	-	-	-	-
-short-term employee benefits	-	-	331.64	191.91	-	-	-	-	-	-
-post-employment benefits	-	-	10.08	4.80	-	-	-	-	-	-
Rohit Rai	-	-	-	-	-	-	-	-	-	-
-short-term employee benefits	-	-	10.91	-	-	-	-	-	-	-
-post-employment benefits	-	-	-	-	-	-	-	-	-	-
Tanushri Yewale	-	-	-	-	-	-	-	-	-	-
-short-term employee benefits	-	-	5.25	20.34	-	-	-	-	-	-
-post-employment benefits	-	-	5.51	0.18	-	-	-	-	-	-
CCD converted into CCPS	-	-	-	-	-	-	-	-	-	3,075.00
Balances										
Directors fees payable	-	-	-	-	4.61	-	-	-	-	-
Post-employment benefits payable										
Arun Kumar Nayyar	-	-	49.44	36.99	-	-	-	-	-	-
Tanushri Yewale	-	-	-	5.18	-	-	-	-	-	-

Note:

- Related parties have been identified on the basis of the declaration received by the management and other records available.
- Provisions for gratuity, compensated absences and other long term service benefits are made for the Company as a whole and the amounts pertaining to the key managerial personnel are not specifically identified and hence are not included above.
- The Company enters into transactions, arrangements and agreements involving related parties in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

Notes to financial statements

for the year ended March 31, 2025

Note 43: Capital

Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Regulatory capital	As at March 31, 2025	As at March 31, 2024
TIER I capital	59,478.70	58,909.00
TIER II capital	724.34	592.00
Total capital	60,203.04	59,501.00
Risk weighted assets	207,091.00	208,922.00
Tier I CRAR	28.72%	28.20%
Tier II CRAR	0.35%	0.28%
Tier I + II CRAR	29.07%	28.48%

As per RBI guidelines, the Company being a Non-Banking Finance Company has to maintain 15% of capital adequacy ratio for NBFC business.

Note 44: Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

Note 45: Long-term contracts

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provisions are required under any law / accounting standards for material foreseeable losses on such long-term contracts has been made in the books of accounts.

Note 46: Other Disclosures

46.1 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

46.2 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

46.3 The Company have not traded or invested in Crypto currency or Virtual Currency during the period.

46.4 The Company have not advanced or loaned or invested funds to any other person (s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall 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.

46.5 The Company have not received any fund from any person (s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary 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:

46.6 The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

46.7 The title deeds for all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

Notes to financial statements

for the year ended March 31, 2025

Note 47: Fair value measurement

47.1 Valuation Principle

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques

Level 1: Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

47.2 Fair Value Hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

March 31, 2025

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Derivative financial instruments				
Currency Swaps		711.49		711.49
Cross Currency Interest Rate Swaps		478.96		478.96
Total derivative financial instruments	-	1,190.45	-	1,190.45
Total Financial assets held for trading	-	-	-	-
Total assets measured at fair value on a recurring basis	-	1,190.45	-	1,190.45
Total financial assets measured at fair value	-	1,190.45	-	1,190.45
Liabilities measured at fair value on a recurring basis	-	-	-	-
Total financial liabilities measured at fair value	-	-	-	-

March 31, 2024

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Derivative financial instruments				
Cross Currency Interest Rate Swaps	-	63.27	-	63.27
Total derivative financial instruments	-	63.27	-	63.27
Total Financial assets held for trading	-	-	-	-
Total assets measured at fair value on a recurring basis	-	63.27	-	63.27
Total financial assets measured at fair value	-	63.27	-	63.27
Liabilities measured at fair value on a recurring basis	-	-	-	-
Derivative financial instruments				
Currency Swaps	-	(214.78)	-	(214.78)
Total derivative financial instruments	-	(214.78)	-	(214.78)
Total financial liabilities measured at fair value on a recurring basis	-	(214.78)	-	(214.78)
Total financial liabilities measured at fair value	-	(214.78)	-	(214.78)

There are no financial instruments measured at fair value on non-recurring basis.

Investments in Mutual Fund are fair valued through Profit & Loss account. Derivative Financial Instruments are fair valued through Other Comprehensive Income.

Notes to financial statements

for the year ended March 31, 2025

47.3 Valuation techniques

Derivative contracts

Derivatives contracts include Cross Currency Swaps and Cross Currency Interest Rate Swaps. These instruments are valued by (a) observable foreign exchange rates; and (b) observable or calculated forward points (implied yield curves). The Company classifies Derivatives contracts as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

Foreign exchange contracts

Foreign exchange contracts include foreign exchange forward and swap contracts and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Company classifies foreign exchange contracts as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

Mutual Funds

Mutual Funds include investment in liquid funds and overnight funds. These are debt-based funds. The amounts mentioned is the fair value of the portfolio basis the NAV of the underlying schemes which are published by respective AMCs. The cost of the portfolio as at March 31, 2025 is Nil (As at March 31, 2024 - Nil)

47.4 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets

March 31, 2025	Valuation	Carrying Value	Level-1	Fair Value		Total
				Level-2	Level-3	
Financial assets:						
Cash and cash equivalents	At amortised cost	16,154.77	16,154.77	-	-	16,154.77
Bank balance other than above	At amortised cost	9,772.17	9,772.17	-	-	9,772.17
Trade receivables	At amortised cost	1.35	-	-	1.35	1.35
Other receivables	At amortised cost	4.17	-	-	4.17	4.17
Loans	At amortised cost	249,342.00	-	-	249,342.00	249,342.00
Other Financial Assets	At amortised cost	1,130.99	-	-	1,130.99	1,130.99
Total financial assets		276,405.43	25,926.94	-	250,478.50	276,405.46
Financial liabilities:						
Trade payables	At amortised cost	938.35	-	-	938.35	938.35
Debt securities	At amortised cost	56,937.10	-	-	56,937.10	56,937.10
Borrowings (other than debt securities)	At amortised cost	157,306.90	-	-	157,306.90	157,306.90
Other Financial liabilities	At amortised cost	5,303.26	-	-	5,303.26	5,303.26
Total financial liabilities		220,485.61	-	-	220,485.61	220,485.61
Off balance sheet items						
Other commitments	At amortised cost	598.30	-	-	598.30	598.30
Total off-balance sheet items		598.30	-	-	598.30	598.30

There are no transfer of assets / liabilities between Level 1, Level 2 and Level 3 during the current year as well as previous year.

Notes to financial statements

for the year ended March 31, 2025

47.4 Fair value of financial instruments not measured at fair value (contd)

March 31, 2024	Valuation	Carrying Value	Level-1	Fair Value			Total
				Level-2	Level-3		
Financial assets:							
Cash and cash equivalents	At amortised cost	15,750.26	15,750.26	-	-		15,750.26
Bank balance other than above	At amortised cost	10,016.78	10,016.78	-	-		10,016.78
Trade receivables	At amortised cost	91.14	-	-	91.14		91.14
Other receivables	At amortised cost	203.76			203.76		203.76
Loans	At amortised cost	253,199.64	-	-	253,199.64		253,199.64
Other Financial Assets	At amortised cost	1,837.21	-	-	1,837.21		1,837.21
Total financial assets		281,098.79	25,767.04	-	255,331.75		281,098.79
Financial liabilities:							
Trade payables	At amortised cost	1,788.80	-	-	1,788.80		1,788.80
Debt securities	At amortised cost	46,290.55	-	-	46,290.55		46,290.55
Borrowings (other than debt securities)	At amortised cost	167,604.60	-	-	167,604.60		167,604.60
Other Financial liabilities	At amortised cost	4,154.14	-	-	4,154.14		4,154.14
Total financial liabilities		219,838.07	-	-	219,838.07		219,838.07
Off balance sheet items							
Other commitments	At amortised cost	1,046.26	-	-	1,046.26		1,046.26
Total off-balance sheet items		1,046.26	-	-	1,046.26		1,046.26

47.5 Valuation methodologies of financial instruments not measured at fair value

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, loans, trade payables, debt securities, borrowings, other financial assets, other financial liabilities and off-balance sheet item are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

Note 48: Risk management

48.1 Introduction and Risk Profile

48.1.1 Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Credit Committee and Risk Management Committee which is responsible for monitoring the overall risk process within the Company.

The Credit Committee and Risk Management Committee has the responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. This Committee is also responsible for managing portfolio risk decisions and monitoring risk levels.

The Company's treasury team is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's risk management processes are audited annually by the Internal Auditors, who examine both the adequacy of the procedures and the Company's compliance with the procedures. The Internal Auditors discuss the results of all assessments with the management and reports their findings and recommendations to the Audit Committee of the Board.

Notes to financial statements

for the year ended March 31, 2025

48.1.2 Risk mitigation and risk culture

As part of its overall risk management, the Company can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies, equity risks and credit risks. Currently, the Company uses derivatives to manage its interest rate and foreign exchange risk arising from the USD and EUR denominated borrowings.

In accordance with the Company's policy, its risk profile is assessed before entering into hedging transactions, which are authorised by the appropriate level of seniority within the Company. The effectiveness of hedges is assessed by the ALCO (based on economic considerations rather than the Ind AS hedge accounting regulations). The effectiveness of all the hedge relationships is monitored by the ALCO on a monthly basis. It is the Company's policy that in situations of ineffectiveness, it will enter into a new hedge relationship to mitigate risk on a continuous basis. Currently, the positions are fully hedged (i.e. 100% risk of interest rate and/or foreign exchange movement) in line with the Board approved policies.

48.1.3 Risk measurement and reporting systems

The Company's loan asset portfolio risk is measured using a method that reflects expected loss likely to arise in normal circumstances based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, whenever required. This risk measurement is quantified by way of the Expected Credit Loss (ECL). Unexpected losses resulting from unforeseen event risks e.g., natural disasters / events / pandemic situations etc., are estimated by applying judgmental inferences to lead indicators of portfolio behavior.

The Company's policy is to measure and monitor the overall risk, in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed to analyse, control and identify operational risks on a timely basis. This information is presented and explained to the Head of each Department, the Audit Committee of the Board. The Audit Committee of the Board & the Credit and Risk Management Committee receives a comprehensive risk report once a quarter (from the Internal auditors & the Risk Head respectively) which is designed to provide all the necessary information to interpret, assess and conclude on the risks of the Company.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to. The Company continuously trains its employees to build awareness of the Company's risk appetite and support them in their roles and responsibilities to monitor risk.

48.2 Credit Risk

Credit risk is the loss arising on account of customers or counterparties failing to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept on its Loan Portfolio, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

48.2.1 Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value. The Company deals with only high rated Banking Counterparty(ies) to ensure mitigation of counterparty credit risk and settlement risk.

Notes to financial statements

for the year ended March 31, 2025

48.2.2 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

The Company's definition and assessment of default (Note 48.2.2.1).

- How the Company defines, calculates, monitors and validates the Probability of Default (PD) and Loss Given Default (LGD) (Notes 48.2.2.2 to 48.2.2.3)
- When the Company considers there has been a significant increase in credit risk (SICR) of an exposure (Note 48.2.2.4)
- The details of the ECL calculations for Stage 1, Stage 2, Stage 3 and its respective sub-stage assets

48.2.2.1 Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. NeoGrowth categorizes the asset as Stage 3A when it is classified as a Sub-standard asset. Such events may include (and not be limited to):

- All the facilities of a borrower from all the borrowed accounts are treated as Stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.
- A covenant breach not waived by the Company
- The Company on selective Basis does consider restructuring of loans after due assessment of its viability from time to time, in line with regulatory /judicial norms & dispensations

48.2.2.2 PD estimation process

Probability of Default (PD) is an estimate of the likelihood of default in a homogenous pool of loans, over its performance period of following 12 month / lifetime horizon. PD estimation process is done based on historical & empirical internal data available with the company. 'Company calculates the 12-month PD by taking into account the past historical trends of the portfolio, credit performance including actual default data and Macro economic variables. In case of assets where there is 'a significant increase in credit risk (SICR) i.e when a borrower becomes 30 Days past Due and is classified as Stage 2, a higher PD is applied basis empirical data of such customers defaulting. 'For credit impaired assets (Stage 3), a PD of 100% is applied.

PD represents the Number of accounts which went into default (during the performance period), relative to the number of accounts of all Non-Default accounts at the start point of the performance period. 12 month period for which performance has been empirically measured. The Company assesses and empirically measure the possible default events within 12 months or lifetime. This PD factor is applied to all Stage 1 & Stage 2 loans, to estimate the likelihood of Default

For credit impaired assets (i.e. Stage 3 assets), PD of 100% is applied.'In case of undrawn loan commitments (for accounts that are live & unexpired), a credit conversion factor of 75% is applied for expected drawdown.

48.2.2.3 Loss Given Default (LGD) & Exposure at Default (EAD)

Loss Given Default (LGD) is an estimate of the ultimate loss arising when a default occurs. It is based on empirical contractual realizations from credit impaired assets (i.e. Stage 3 assets). after event of default i.e Day on Day DPD including from the realization of any security.The principal recovery is further adjusted for cost of recovery and discounted with the EIR of the loan to adjust for time value of money to arrive at the LGD. This is computed basis seasoned defaulted loans.

Exposure at Default (EAD) factor is used to derive the exposure at default. It considers factorings any repayments or recoveries prior to default. The calculated EAD factor is then applied to current outstanding to determine the exposure at default

Notes to financial statements

for the year ended March 31, 2025

48.2.2.4 Significant increase in credit risk

The Company continuously monitors its Loan Portfolio in order to assess whether there has been an event which could cause a significantly increase in the credit risk (SICR) of the underlying asset or the customer's ability to pay and accordingly applies a higher PD rate. An asset can move in & out of SICR category based upon whether it has undergone SICR events that may include (and not be limited to):

- When one of the facilities of a borrower becomes 30 days past due
- Borrowers of a segment / industry / geography under stress

48.2.2.5 Change in Estimates

The company periodically reviews and updates the expected credit loss model (ECL) in line with the new inputs and performance trends to reflect the reasonableness and adequacy of ECL amount recognized as at reporting date. During the year ended March 31, 2025, The Company has updated the Expected Credit Loss model (ECL) and utilized the management overlay created on Stage 2 cases amounting to ₹12.62 crore.

48.3 Liquidity risk and funding management

Liquidity risk arises from mismatches in the timing of cash flows, these mismatches originates due to difference in average maturity of assets and liabilities in the books. It is a risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities as and when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Liquidity Risk is primarily monitored by a Board appointed Asset Liability Committee (ALCO) and is managed by the Company's treasury team under the guidance of ALCO.

Liquidity Risk is measured by identifying gaps in the structural and dynamic liquidity statements. Key practices employed by the company for assessment and monitoring of liquidity risk are as below:

1. Monitoring the external operating environment, regulatory framework for NBFCs, capital market instruments and bank loans, debt market conditions and liquidity, and risk appetite of investors
2. Mapping of near to medium-term outflows on liabilities and expected inflows from assets, thereby performing a gap assessment for incremental fund raising
3. Periodic reviews by ALCO relating to the liquidity position, plan of action for incremental fund raising and stress tests of the ALM position

The Company continues to closely monitor liquidity in the market and as part of its ALCO strategy maintains a liquidity buffer to reduce any liquidity risk. This liquidity buffer is maintained in the form of unencumbered investments in units of mutual funds (Liquid and/or Overnight Schemes), Fixed Deposits with high rated scheduled Commercial Banks and undrawn Bank lines.

The Company maintains a diverse mix of borrowings from various sources, including banks, developmental financial institutions, foreign portfolio investors and high rated NBFCs. The Company continued to borrow long term debt with longer contractual maturity compared to its loans and advances portfolio, in order to maintain positive cumulative gaps in its ALM. The average maturity of liabilities is higher than average maturity of assets, which has caused positive gap in the ALM. The Company also continues to explore borrowing opportunities in the market and concluded multiple borrowings transactions in form of Term loans, PTC securitization and NCDs during the year ended March 31, 2025.

A strong borrowings pipeline has been built from a diverse set of domestic and overseas financing institutions. The liquidity buffer, regular collections and incremental debt raising pipeline is sufficient to support ongoing debt repayments, operating expenses and future business growth of the Company.

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48.3.1. Liquidity ratios

Public Disclosure on Liquidity Risk (in accordance with RBI Circular - RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20), as on March 31, 2025 as below:

a. Funding Concentration based on significant counterparty

Particulars	As at March 31, 2025	As at March 31, 2024
Number of significant counter parties	23	26
Amount	190,468.86	186,544.77
Percentage of funding total liabilities	85.84%	83.94%

Significant Counterparties are defined as - A single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the Company's total liabilities.

b. Top 10 borrowings (by counterparty)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Borrowings	214,244.00	213,895.15
Top 10 Borrowings	136,019.07	119,806.66
Top 10 as a percentage of total borrowings	63.49%	56.01%

c. Funding Concentration by Instrument

Name of the instrument	As at March 31, 2025	% of Total liabilities	As at March 31, 2024	% of Total liabilities
Non-Convertible Debentures (NCD)	54,480.47	24.55%	46,275.48	20.82%
Commercial paper	2,441.56	1.10%	-	0.00%
CCPS	15.07	0.01%	15.07	0.01%
Term Loans	57,840.14	26.07%	65,026.08	29.26%
External Commercial Borrowings (ECB)	57,525.87	25.93%	55,807.58	25.11%
Cash Credit (CC)	-	0.00%	1,179.43	0.53%
Others	41,940.89	18.90%	45,591.51	20.52%
TOTAL	214,244.00	96.56%	213,895.15	96.25%

Significant Counterparties are defined as - A single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the Company's total liabilities.

Total liabilities equals sum of carrying value of all liabilities minus total equity

d. Stock Ratios

Particulars	Percentage for March 25	Percentage for March 24
Commercial Paper - as a percentage of total public funds*	1.14%	NA
Commercial Paper - as a percentage of total liabilities	1.10%	Nil
Commercial Paper - as a percentage of total assets	0.84%	Nil
NCD (original maturity < 1year) - as a percentage of total public funds	NA	NA
NCD (original maturity < 1year) - as a percentage of total liabilities	Nil	Nil
NCD (original maturity < 1year) - as a percentage of total assets	Nil	Nil
Other Short-term Liabilities - as a percentage of total public funds	60.44%	52.84%
Other Short-term Liabilities- as a percentage of total liabilities	58.36%	50.86%
Other Short-term Liabilities- as a percentage of total assets	44.81%	39.27%

*Public funds' includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue

Other Short-term Liabilities includes borrowing (Principal Outstanding) due within 12 months from the reporting date excluding commercial papers

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for the year ended March 31, 2025

48.3.1. Liquidity ratios (contd)

e. Institutional set-up for liquidity risk management

The Liquidity Risk Management Policy of the Company is approved by the Board of Directors of the Company.

The Board of Directors or other sub-Committee of the Board including Audit Committee / Sub-Committee have approved the formation of the Asset Liability Committee (ALCO), comprising the Managing Director and Chief Executive Officer, Chief Financial Officer, Vice President - Treasury.

48.3.2. Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the cashflow of Debt Securities and Borrowings:

Particulars	As at March 31, 2025	As at March 31, 2024
Within 1 Year	131,934.24	113,031.72
Over 1 year to 2 Years	53,971.94	71,700.04
Over 2 years to 3 Years	24,387.58	26,422.92
Over 3 years to 5 Years	1,655.74	2,725.40
Over 5 years	2,294.50	15.07
TOTAL	214,244.00	213,895.15

Notes:

1. The Company considers Put/Call option dates for the purpose of reporting maturity pattern of Borrowings including debt securities.

The table below summarises the maturity profile of the cashflow of Trade Payable and Other Financial Liabilities:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Trade Payable	Other Financial Liabilities	Trade Payable	Other Financial Liabilities
Within 1 Year	938.35	2,468.57	1,788.81	2,662.26
Over 1 years to 3 Years	-	1,611.75	-	856.74
Over 3 years to 5 Years	-	1,163.09	-	484.26
Above 5 Years	-	59.85	-	150.88
TOTAL	938.35	5,303.26	1,788.81	4,154.14

The table below shows the contractual expiry by maturity of the company's contingent liabilities and commitments: Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

Particulars	Carrying Value	On demand	Less than 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
As at March 31, 2025									
Contingent Liability	36.24	36.24	-	-	-	-	-	-	36.24
Other undrawn commitments to lend*	304.00	304.00	-	-	-	-	-	-	304.00
Capital commitments	294.30	294.30	-	-	-	-	-	-	294.30
Total commitments	634.54	634.54	-	-	-	-	-	-	634.54
As at March 31, 2024									
Contingent Liability	32.53	32.53	-	-	-	-	-	-	32.53
Other undrawn commitments to lend*	658.00	658.00	-	-	-	-	-	-	658.00
Capital commitments	388.26	388.26	-	-	-	-	-	-	388.26
Total commitments	1,078.79	1,078.79	-	-	-	-	-	-	1,078.79

*The limit sanctioned to the customers are unconditionally revocable at the discretion of the Company and therefore the limit is uncommitted.

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48.4 Market Risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

48.4.1 Total market risk exposure

Particulars	As at March 31, 2025			As at March 31, 2024			Primary Risk sensitivity
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	
Assets							
Cash and cash equivalents	16,154.77	-	16,154.77	15,750.26	-	15,750.26	Interest Rate
Other bank balances	9,772.17		9,772.17	10,016.78	-	10,016.78	Interest Rate
Derivative financial instruments	1,190.45	-	1,190.45	-	-	-	Interest Rate / Foreign Exchange
Trade receivables	1.35	-	1.35	91.14	-	91.14	Interest Rate
Other Receivables	4.17	-	4.17	203.76		203.76	Interest Rate
Loans	249,342.00	-	249,342.00	253,199.64	-	253,199.64	Interest Rate
Other Financial Assets	1,130.99		1,130.99	1,837.21	-	1,837.21	Interest Rate
TOTAL	277,595.90	-	277,595.90	281,098.79	-	281,098.79	
Liabilities							
Derivative financial instruments	-	-	-	151.51	-	151.51	Interest Rate / Foreign Exchange
Trade payables	938.35	-	938.35	1,788.80	-	1,788.80	Interest Rate
Debt securities	56,937.10	-	56,937.10	46,290.55	-	46,290.55	Interest Rate
Borrowings (other than debt securities)	157,306.90	-	157,306.90	167,604.60	-	167,604.60	Interest Rate / Foreign Exchange
Other financial liabilities	5,303.26	-	5,303.26	4,154.14	-	4,154.14	Interest Rate
TOTAL	220,485.61	-	220,485.61	219,989.58	-	219,989.58	

48.4.1 Market risk non-trading

48.4.1.1 Interest rate risk

Interest rate sensitivity on fixed and floating rate assets and liabilities with differing maturity profiles is measured by using the duration gap analysis. The same is monitored by the ALCO periodically. All the Company loans and advances are on a Fixed Interest basis. The Company has floating rate borrowings primarily in two categories – (a) Domestic borrowings linked to the Lender's Base Rate/MCLR; (b) USD/EURO denominated borrowings linked to USD/EURO SOFR. The USD/EURO SOFR linked borrowings are fully hedged for the interest rate risk in accordance with the company's Foreign Exchange Risk Management Policy. Most of the borrowings are in NCD and Term loans are fixed rate borrowings, hence not exposed interest rate risk.

Change in Interest Rate

Particulars	As at March 31, 2025		As at March 31, 2024	
	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
25 basis point down	157.77	118.06	183.80	137.54
50 basis point down	315.54	236.12	367.60	275.08
25 basis point up	(157.77)	(118.06)	(183.80)	(137.54)
50 basis point up	(315.54)	(236.12)	(367.60)	(275.08)

Borrowings with floating rate structure has been considered for interest rate sensitivity analysis

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48.4.1.2 Currency risk

In the normal course of its business, the Company does not deal in foreign exchange significantly, except for its USD and EUR denominated External Commercial Borrowings. Any foreign exchange exposure on account of foreign exchange borrowings is hedged fully to safeguard against exchange rate risk in accordance with the company's Foreign Exchange Risk Management Policy.

Foreign Currency Exposure

Particulars	As at March 31, 2025			As at March 31, 2024		
	USD in lakhs	EUR in lakhs	Amount	USD in lakhs	EUR in lakhs	Amount
External Commercial Borrowings (ECB)	623.67	35.00	54,251.62	620.69	35.00	53,576.59
Derivative Financial Instrument *(Hedge instruments)	(623.67)	(35.00)	(54,251.62)	(620.69)	(35.00)	(53,576.59)
Net exposure to foreign currency	-	-	-	-	-	-

* represents the notional amount of the derivative financial instrument

48.4.1.3 Equity price risk

The Company does not have any exposure to equity price risk.

48.4.1.4 Operational and business risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the company are managed through comprehensive internal control systems and procedures and key back up processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self-assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the company's readiness.

Note 49: Regulatory disclosures

49.1 Capital

Particulars	March 31, 2025	March 31, 2024
i) CRAR (%)	29.07%	28.48%
ii) CRAR - Tier I Capital (%)	28.72%	28.20%
iii) CRAR - Tier II Capital (%)	0.35%	0.28%
iv) Amount of subordinated debt raised as Tier-II capital	-	-
v) Amount raised by issue of Perpetual Debt Instruments	-	-

Notes to financial statements

for the year ended March 31, 2025

49.2 Investments

The Company does not have any investments as on March 31, 2025 and March 31, 2024.

49.3 Derivatives

49.3.1 Forward Rate Agreement / Interest Rate Swap

Particulars	March 31, 2025	March 31, 2024
i) The notional principal of swap agreements	54,251.62	53,576.59
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	1,253.63	412.13
iii) Collateral required by the Company upon entering into swaps	2,454.00	2,621.14
iv) Concentration of credit risk arising from the swaps	-	-
v) The fair value of the swap book	1,190.45	(151.51)

49.3.2 Exchange Traded Interest Rate Derivatives

The Company has not entered into any Exchange Traded Interest Rate Derivatives.

49.3.3 Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

For Qualitative Disclosures please refer Note 47 and Note 3.19 for material accounting policies related Hedge accounting

Quantitative Disclosures

Particulars	March 31, 2025		March 31, 2024	
	Currency Derivatives	Cross Currency Interest rate derivatives	Currency Derivatives	Cross Currency Interest rate derivatives
Derivatives (Notional Principal Amount)				
a) For hedging	29,837.18	24,414.44	27,463.25	26,113.34
b) For trading	-	-	-	-
Marked to Market Positions				
a) Asset (+)	711.49	478.96	-	63.27
b) Liability (-)*	-	-	(214.78)	-
Credit Exposure	-	-	-	-
Unhedged Exposures	-	-	-	-

49.4 Disclosures relating to Securitisation, Asset Reconstruction and Direct Assignment

i) The Company has entered into Securitisation transactions for the year ended March 31, 2025.

Particulars	March 31, 2025	March 31, 2024
No of SPVs sponsored by the NBFC for securitisation transactions	18	19
Total amount of securitised assets as per books of the SPVs sponsored by the NBFC*	41,940.89	45,460.03
Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-	-
a) On-balance sheet exposures	-	-
* First Loss	3,728.60	4,039.00
* Others	10,636.00	7,674.00
b) Off-balance sheet exposures	-	-
* First Loss	-	-
* Others	-	-
Amount of exposures to securitisation transactions other than MRR	-	-

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for the year ended March 31, 2025

49.4 Disclosures relating to Securitisation, Asset Reconstruction and Direct Assignment (contd)

Particulars	March 31, 2025	March 31, 2024
a) On-balance sheet exposures		
Exposure to own securitizations		
* First Loss	-	-
* Others	-	-
Exposure to third party securitization		
* First Loss	-	-
* Others	-	-
b) Off-balance sheet exposures		
Exposure to own securitizations		
* First Loss	-	-
* Others	-	-
Exposure to third party securitization		
* First Loss	-	-
* Others	-	-
Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	56,986.84	72,348.45
Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	55.78	38.25
Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent 60 etc. Mention percent in bracket as of total value of facility provided.		
(a) Amount paid	a) 3728.60	a) 4039.00
(b) Repayment received	b) Nil	b) Nil
(c) Outstanding amount	c) 3728.60	c) 4039.00
Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	6.06%	2.92%
Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

*The Amount denotes the Principal Outstanding with the SPV

- ii) Details of financial assets sold to Securitisation/Reconstruction Company for Asset Reconstruction:
The Company has not sold any financial assets to Securitisation/Reconstruction Company for Asset Reconstruction for the year ended March 31, 2025 and March 31, 2024.
- iii) Details of assignment transactions
The Company has sold financial assets by way of Direct Assignment in the year ended March 31, 2025.

Particulars	March 31, 2025	March 31, 2024
Count of loans accounts assigned	941	1,888
Amount of loan accounts assigned	11,960.06	14,886.00
Weighted average maturity (in months)	17.11	14.70
Weighted average holding period (in months)	7.41	8.70
Retention of beneficial economic interest	10%	10%
Coverage of tangible security	100%	100%
Rating wise distribution of rated loans	Not Rated	Not Rated

- iv) The Company has not sold / purchased any non-performing assets during March 31, 2025 and March 31, 2024
- v) The Company has not acquired through assignment any loans, not in default during the year ended March 31, 2025.
- vi) The Company has not transferred any stressed loans during the year ended March 31, 2025.

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for the year ended March 31, 2025

49.5 Exposure to real estate sector

Particulars	March 31, 2025	March 31, 2024
i) Direct exposure	-	-
a) Residential Mortgages -	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits	9,914.55	5,676.04
b) Commercial Real Estate -	-	-
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits	1,977.51	1,262.71
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -		
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	11,892.06	6,938.75

i) The Company has no exposure to capital market during the March 31, 2025 and March 31, 2024.

ii) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

During the year, the Company has not exceeded SGL & GBL limits as prescribed under NBFC Regulation.

iii) Unsecured Advances

During the year, the Company has not given any advance against collateral of rights, licenses, authority, etc.

49.6 - Miscellaneous

49.6.1 - Registration obtained from other financial sector regulators

RBI registration no	B-13.02077
IRDA registration no.	CA0472
Company Identification Number (CIN)	U51504MH1993PTC251544

49.6.2 - Disclosure of Penalties imposed by RBI and other regulator

During the year ended March 31, 2025, no penalties have been levied by RBI on the Company (Previous year Nil).

49.6.3 - Ratings assigned by credit rating agencies and migration of ratings during the year

Instruments	Credit Rating Agency	March 31, 2025	March 31, 2024
Long Term Bank lines	ICRA	[ICRA] BBB + (Stable)	[ICRA] BBB + (Stable)
Non-Convertible Debenture	ICRA	[ICRA] BBB + (Stable)	[ICRA] BBB + (Stable)
Cash Credit	ICRA	-	[ICRA] BBB + (Stable)
Working Capital Demand Loan	ICRA	-	[ICRA] BBB + (Stable)
Non-Convertible Debenture	CARE	CARE BBB+ (Stable)	CARE BBB (Stable)
Long Term Bank lines	CARE	-	CARE BBB+ (Stable)
CP	ICRA	ICRA A2	ICRA A2

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for the year ended March 31, 2025

49.6.3 - Ratings assigned by credit rating agencies and migration of ratings during the year (contd)

Instruments	Credit Rating Agency	March 31, 2025	March 31, 2024
Series A - Pass Through Certificates (Securitisation) - Aries Trust, Kathy 12, Taurus Trust ,Chanakya-2 Trust , Bhaskara-1 Trust January 2024,Charak 2 February 2024 Trust, Gemini Trust April 2024,Chanakya-3 Trust May 2024, Gagan 05 2024,Capricorn Trust May 2024,Vayu Trust June 2024, Agni Trust September 2024,Chanakya-4 Trust November 2024, Nabh Trust December 2024,Drona-1 Trust December 2024, Sagittarius Trust February 2025	ICRA	ICRA A+ (Structured Obligation)	-
Series A - Pass Through Certificates (Securitisation) - Aryabhata-4 Trust January 2024, Aryabhata-5 Trust March2024,Nagarjuna-1 Trust March2024	ICRA	ICRA A+ (Structured Obligation)	-
Series A - Pass Through Certificates (Securitisation) - Virgo and Saturn	CARE	-	-
Series A - Pass Through Certificates (Securitisation) - Hannah	CARE	-	-
Series A - Pass Through Certificates (Securitisation) - Aryabhata-2 Trust, Aryabhata-1	ICRA	-	ICRA A+ (Structured Obligation)
Series A - Pass Through Certificates (Securitisation) - Shark 02	ICRA	-	ICRA A- (Structured Obligation)

49.7.1 - Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	March 31, 2025	March 31, 2024
Provisions for depreciation on Investment	-	-
Provision towards NPA	4,848.09	1,805.11
Provision made towards Income tax	310.01	2,396.60
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	(1,711.11)	2,886.39

49.7.2 - Draw Down from Reserves

During the year ended March 31, 2025, the Company has not drawn down any amount from Reserves (March 31, 2024 Nil).

49.7.3 - Concentration of Advances, Exposures & NPAs

49.7.3.1 - Concentration of Advances

Particulars	March 31, 2025	March 31, 2024
Total Advances to twenty largest borrowers	1,671.45	1,806.80
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	0.64%	0.68%

Advances is taken as Principal balance and accordingly percentage is derived

Notes to financial statements

for the year ended March 31, 2025

49.7.3.2 - Concentration of Exposures

Particulars	March 31, 2025	March 31, 2024
Total Exposure to twenty largest borrowers / customers	1,706.64	1,806.80
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	0.65%	0.68%

49.7.3.3 - Concentration of NPA assets

Particulars	March 31, 2025	March 31, 2024
Total Exposure to top four NPA accounts	310.83	259.31

49.7.3.4 - Sector-wise NPA assets

Percentage of NPA assets to Total Advances in that sector

Particulars	March 31, 2025	March 31, 2024
Agriculture & allied activities	10.87%	4.10%
MSME	6.74%	3.65%
Corporate borrowers	7.61%	5.93%
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-

As certified by management and relied by Auditors

49.7.4 - Movement of NPA assets

Particulars	March 31, 2025	March 31, 2024
NPA (net of provisions) to net advances (%)	2.96%	1.60%
Movement of NPA (Gross)		
Opening balance	9,711.16	7,365.40
Additions during the year	38,343.48	17,750.97
Reductions during the year	(30,171.73)	(15,405.21)
Closing balance	17,882.91	9,711.16
Movement of Net NPA		
Opening balance	4,151.74	3,611.09
Additions during the year	15,318.11	5,804.10
Reductions during the year	(11,994.45)	(5,263.45)
Closing balance	7,475.40	4,151.74
Movement of provisions for NPA (excluding provisions on standard assets)		
Opening balance	5,559.42	3,754.31
Provisions made during the year	23,025.37	11,946.87
Write-off / Write-back of excess provisions	(18,177.28)	(10,141.76)
Closing balance	10,407.51	5,559.42

Amount is taken as Principal balance

Notes to financial statements

for the year ended March 31, 2025

49.8 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

During the year ended March 31, 2025, the company does not have any joint venture or subsidiary abroad, hence, not applicable (March 31, 2024 NA).

49.9 Off-balance Sheet SPVs sponsored

During the year ended March 31, 2025, the company does not have any off balance sheet SPV sponsored (March 31, 2024 Nil).

49.10 Disclosure of Complaints

Customer Complaints	March 31, 2025	March 31, 2024
No. of complaints pending at the beginning of the year	6	-
No. of complaints received during the year	1,158	259
No. of complaints redressed during the year	1,142	253
No. of complaints pending at the end of the year	22	6

As certified by management and relied by Auditors

49.11 Intra-group exposures

The company does not have any Intra-group exposures (March 31, 2024 Nil).

49.12 Unhedged foreign currency exposure

The company does not have any Unhedged foreign currency exposure (March 31, 2024 Nil).

49.13 Gold Loans

The company do not lend any gold loans (March 31, 2024 Nil).

49.14 Pursuant to the RBI Circular No DNBS.PD.CC. No. 256/03.10.042/2011-12 Dated 2 March, 2012, the details of frauds noticed/reported are as below:

Particulars	March 31, 2025	March 31, 2024
Amount Involved is greater than or equal to 1 lakh*	754.87	6.00
Amount Recovered	8.63	3.01
Amount written off/provided	746.24	2.99
Balance	0.00	0.00

*No fraud with amount involved less than 1 lakh

Notes to financial statements

for the year ended March 31, 2025

49.6.15 - Related Party Transaction

Disclosure of transactions with related parties as required by RBI circular dated 19 Apr 2022

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Directors*		Entity having significant influence in the Company		Others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
(A) Details of Related party transactions during the year ended																		
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others - CCD converted in CCPS	-	-	-	-	-	-	-	-	-	-	-	-	3,075.00	-	-	-	3,075.00	-
Others - Interest expenses on CCD	-	-	-	-	-	-	-	-	-	-	-	-	123.97	-	-	-	123.97	-
Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Arun Kumar Nayyar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-short-term employee benefits	-	-	-	-	-	-	494.64	677.88	-	-	-	-	-	-	-	494.64	677.88	-
-post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deepak Goswami	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-short-term employee benefits	-	-	-	-	-	-	331.64	191.91	-	-	-	-	-	-	-	331.64	191.91	-
-post-employment benefits	-	-	-	-	-	-	10.08	4.80	-	-	-	-	-	-	-	10.08	4.80	-
Rohit Rai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-short-term employee benefits	-	-	-	-	-	-	10.91	-	-	-	-	-	-	-	-	10.91	-	-
-post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tanushri Yewale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-short-term employee benefits	-	-	-	-	-	-	5.25	20.34	-	-	-	-	-	-	-	-	-	-
-post-employment benefits	-	-	-	-	-	-	5.51	0.18	-	-	-	-	-	-	-	-	-	-
Others - Directors sitting fees	-	-	-	-	-	-	-	-	-	-	129.84	134.00	-	-	-	129.84	134.00	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.85	-	8.85

Notes to financial statements

for the year ended March 31, 2025

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel		Directors*		Entity having significant influence in the Company		Others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Items																
(B) Outstanding Balances as at																
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others - CCD converted in CCPS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others - Interest expenses on CCD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others - Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post-employment benefits payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Arun Kumar Nayyar	-	-	-	-	-	-	49.44	36.99	-	-	-	-	-	-	49.44	36.99
Tanushri Yewale	-	-	-	-	-	-	-	5.18	-	-	-	-	-	-	-	5.18
Others - Directors sitting fees	-	-	-	-	-	-	-	-	4.61	-	-	-	-	-	4.61	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C) Maximum Outstanding balances for the year ended																
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others - CCD converted in CCPS	-	-	-	-	-	-	-	-	-	-	-	3,075.00	-	-	-	3,075.00
Others - Interest expenses on CCD	-	-	-	-	-	-	-	-	-	-	-	123.97	-	-	-	123.97
Others - Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others - Directors sitting fees	-	-	-	-	-	-	-	-	4.61	2.50	-	-	-	-	4.61	2.50
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to financial statements

for the year ended March 31, 2025

Note 49: Regulatory disclosures (contd)

As at March 31, 2025

49.16 Asset Liability Management (ALM) Maturity pattern of certain items of Assets and Liabilities

Particulars	Deposits	Advances (Note 3)	Investments	Borrowings (Note 1& 2)	Foreign Currency assets	Foreign Currency liabilities
Over 1 day to 7 days	-	8,256.16	-	4,188.10	-	-
Over 8 days to 14 days	-	1,796.13	-	3,054.30	-	-
Over 15 days to 30 days	-	4,565.16	-	7,257.76	-	-
Over 1 month to 2 months	-	13,315.09	-	11,309.58	-	-
Over 2 months to 3 Months	-	13,026.42	-	13,232.48	-	-
Over 3 months to 6 months	-	39,909.35	-	34,684.78	-	-
Over 6 months to 1 Year	-	72,246.62	-	58,207.25	-	-
Over 1 year to 3 Years	-	86,305.81	-	78,359.52	-	-
Over 3 years to 5 Years	-	19,483.68	-	1,655.73	-	-
Over 5 Years	-	5,643.30	-	2,294.50	-	-
TOTAL	-	264,547.72	-	214,244.00	-	-

As at March 31, 2024

49.16 Asset Liability Management (ALM) Maturity pattern of certain items of Assets and Liabilities

Particulars	Deposits	Advances (Note 3)	Investments	Borrowings (Note 1& 2)	Foreign Currency assets	Foreign Currency liabilities
Over 1 day to 7 days	-	7,009.32	-	2,239.54	-	-
Over 8 days to 14 days	-	2,043.60	-	2,348.72	-	-
Over 15 days to 30 days	-	4,378.28	-	3,837.11	-	-
Over 1 month to 2 months	-	12,708.79	-	10,119.12	-	-
Over 2 months to 3 Months	-	12,571.28	-	17,051.03	-	-
Over 3 months to 6 months	-	39,110.42	-	28,817.88	-	-
Over 6 months to 1 Year	-	74,278.55	-	48,618.32	-	-
Over 1 year to 3 Years	-	98,810.46	-	98,122.96	-	-
Over 3 years to 5 Years	-	11,981.77	-	2,725.40	-	-
Over 5 Years	-	2,461.29	-	15.07	-	-
TOTAL	-	265,353.76	-	213,895.15	-	-

Notes:

1. Borrowings include debt securities and borrowings other than debt securities (including External Commercial Borrowings).
2. The Company considers Put/Call option dates for the purpose of reporting maturity pattern of Borrowings including debt securities.
3. Represent gross advances.

Notes to financial statements

for the year ended March 31, 2025

49.17 Disclosure as per RBI notification DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 & RBI/DNBR/2016-17/45 DNBR.PD.008/03.10.119/2016-17 dated March 03, 2022- A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 'Financial Instruments' As at March 31, 2025

(₹ in Lakhs)

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
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	237,000.16	3,796.21	233,203.95	948.00	2,848.21
Standard	Stage 2	9,833.84	1,082.80	8,751.04	39.34	1,043.46
Subtotal		246,834.00	4,879.01	241,954.99	987.34	3,891.67
Non-Performing Assets (NPA)						
Substandard*	Stage 3	17,506.14	10,222.06	7,284.08	1,750.61	8,471.45
Doubtful Assets						
Upto 1 year		207.58	104.65	102.93	116.93	(12.28)
Subtotal		17,713.72	10,326.71	7,387.01	1,867.54	8,459.17
TOTAL		264,547.72	15,205.72	249,342.00	2,854.88	12,350.84

*Includes asset classified as doubtful assets since specific identification/classification is not available. Accordingly RBI Provision is computed considering rate applicable for Substandard assets. Further, as per Company policy Term loans assets are written off at 240 days past due, Term loans assets secured against immovable property are written off at 720 days past due & Limit Loan are written off at 180 days past due, hence loans written off are not included above.

As at March 31, 2024

(₹ in Lakhs)

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
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	247,593.46	5,091.98	242,501.48	990.37	4,101.61
Standard	Stage 2	8,077.33	1,495.77	6,581.56	32.31	1,463.46
Subtotal		255,670.79	6,587.75	249,083.04	1,022.68	5,565.07
Non-Performing Assets (NPA)						
Substandard	Stage 3	9,309.18	5,311.63	3,997.55	930.92	4,380.71
Doubtful Assets	Stage 3	373.80	241.52	132.28	239.57	1.95
Subtotal		9,682.98	5,553.15	4,129.83	1,170.49	4,382.66
TOTAL		265,353.77	12,140.90	253,212.87	2,193.17	9,947.73

Note: Gross carrying amount as per Ind AS includes the EIR adjustment of ₹ 437.83 lakhs.

Notes to financial statements

for the year ended March 31, 2025

49.18 Disclosures pursuant to RBI Notification - RBI/2021-22/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC .11/21.04.048/2021-22 dated May 5,2021

For half year ended September 30, 2024

(₹ in Lakhs)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at March 31, 2024	Of (A), aggregate debt that slipped into NPA during the half-year ended September 30, 2024	Of (A) amount written off during the half-year ended September 30, 2024*	Of (A) amount paid by the borrowers during the half-year ended September 30 2024**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at September 30 2024
Personal Loans	-	-	-	-	-
Corporate persons***	-	-	-	-	-
of which, MSMEs	567.68	50.98	2.49	246.47	270.23
Others	-	-	-	-	-
TOTAL	567.68	50.98	2.49	246.47	270.23

*represents debt that slipped into stage 3 and was subsequently written off during the half year ended September 30, 2024.

** represents receipts net of interest accruals

***also includes individual Business Loans (Proprietor) and Small Business Loans (Non Proprietor).

For half year ended March 31, 2025

(₹ in Lakhs)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at September 30 2024	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2025	Of (A) amount written off during the half-year ended March 31, 2025*	Of (A) amount paid by the borrowers during the half-year ended March 31, 2025**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at March 31, 2025
Personal Loans	-	-	-	-	-
Corporate persons***	-	-	-	-	-
of which, MSMEs	270.23	9.99	2.17	133.62	126.62
Others	-	-	-	-	-
TOTAL	270.23	9.99	2.17	133.62	126.62

*represents debt that slipped into stage 3 and was subsequently written off during the half yearly ended March 31, 2025.

** represents receipts net of interest accruals

***also includes individual Business Loans (Proprietor) and Small Business Loans (Non Proprietor).

Notes to financial statements

for the year ended March 31, 2025

49.19 Disclosure of Restructured Accounts

For FY 24-25:

Sr. No.	Type of Restructuring Details Asset Classification	Under CDR Mechanism			Under SME Debt Restructuring Mechanism			Others			Total		
		Standard	Sub-Standard	Full	Loss	Total Standard	Total Standard	Sub-Standard	Doubtful	Loss	Total Standard	Sub-Standard	Doubtful Loss
1	Restructured Accounts as on April 1 of the FY (opening figures)*	-	-	-	-	-	-	-	8	-	8	-	8
	Amount outstanding	-	-	-	-	-	-	-	107.58	-	107.58	-	107.58
	Provision thereon	-	-	-	-	-	-	-	63.35	-	63.35	-	63.35
2	Fresh restructuring during the year	-	-	-	-	-	-	-	21	-	21	-	21
	Amount outstanding	-	-	-	-	-	-	-	169.85	-	169.85	-	169.85
	Provision thereon	-	-	-	-	-	-	-	130.50	-	130.50	-	130.50
3	Upgradations to restructured standard category during the FY	-	-	-	-	-	-	-	1	-	1	-	1
	Amount outstanding	-	-	-	-	-	-	-	26.96	-	26.96	-	26.96
	Provision thereon	-	-	-	-	-	-	-	17.58	-	17.58	-	17.58
4	Restructured standard advances which cease to attract higher provisioning	-	-	-	-	-	-	-	1	-	1	-	1
	Amount outstanding	-	-	-	-	-	-	-	26.96	-	26.96	-	26.96
	Provision thereon	-	-	-	-	-	-	-	17.58	-	17.58	-	17.58
5	Downgradation of restructured accounts during the FY	-	-	-	-	-	-	-	15	-	15	-	15
	Amount outstanding	-	-	-	-	-	-	-	259.83	-	259.83	-	259.83
	Provision thereon	-	-	-	-	-	-	-	151.73	-	151.73	-	151.73
6	Write-offs of restructured accounts during the FY	-	-	-	-	-	-	-	25	-	25	-	25
	Amount outstanding	-	-	-	-	-	-	-	232.61	-	232.61	-	232.61
	Provision thereon	-	-	-	-	-	-	-	165.43	-	165.43	-	165.43
7	Adjustment for Payment and Provision	-	-	-	-	-	-	-	4	-	4	-	4
	Amount outstanding	-	-	-	-	-	-	-	39.53	-	39.53	-	39.53
	Provision thereon	-	-	-	-	-	-	-	8.26	-	8.26	-	8.26
8	Restructured Accounts as on March 31 of the FY (closing figures)	-	-	-	-	-	-	-	15	-	15	-	15
	Amount outstanding	-	-	-	-	-	-	-	238.16	-	238.16	-	238.16
	Provision thereon	-	-	-	-	-	-	-	138.60	-	138.60	-	138.60

Exclude cases settled/restructured post write off

Notes to financial statements

for the year ended March 31, 2025

For FY 23-24:

Sr. No.	Type of Restructuring Details Asset Classification	Under CDR Mechanism			Under SME Debt Restructuring Mechanism			Others			Total			
		Standard	Sub-Standard	Doubtful	Loss	Total Standard	Sub-Standard	Doubtful	Loss	Total Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April1 of the FY(opening figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradation of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
7	Adjustment for Payment and Provision	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
8	Restructured Accounts as on March 31 of the FY (closing figures) (1+2+3+4+5+6+7)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-

Exclude cases settled/restructured post write off

Notes to financial statements

for the year ended March 31, 2025

49.20 Segment Reporting

The Company operates in a single reportable segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in a single geographical segment i.e. domestic.

49.21: Divergence in Asset Classification and Provisioning

During the year ended March 31, 2025 no divergence reported in asset classification and provisioning (March 31, 2024 Nil).

Note 50: Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Securitisations		
Carrying amount of the transferred assets (held as collateral)	52,577.00	53,134.00
Carrying amount of associated liabilities	41,940.89	45,591.51

Note 51: Transferred financial assets that are derecognised in their entirety

The Company has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets :

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Direct Assignment		
Carrying amount of transferred assets measured at amortised cost	6,842.70	7,383.45
Carrying amount of exposures retained by the Company at amortised cost	760.30	820.38

Note 52: Annex Disclosure requirements under Scale Based Regulation for NBFCs

Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

As at March 31, 2025

Particulars	As on 31st March 2025 Amount Outstanding	As on 31st March 2025 Amount Overdue
LIABILITIES SIDE:		
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
a. Debentures (other than falling within the meaning of public deposits*)		-
- Secured	54,480.47	-
- Unsecured	-	-
b. Deferred Credits	-	-
c. Term Loans	157,306.90	-
d. Inter-corporate loans and borrowings	-	-
e. Commercial Paper	2,441.56	-
f. Other Loans - Demand loans	-	-

* Please see Note 1 below

Notes to financial statements

for the year ended March 31, 2025

Note 52: Annex Disclosure requirements under Scale Based Regulation for NBFCs (contd)

Particulars	As at March 31, 2025
ASSET SIDE:	
2 Break-up of Loans and Advances including bills receivables [other than those included in(4) below]:	Amount Outstanding
a. Secured	210,920.25
b. Unsecured	38,421.75
3 Break up of Leased Assets and stocks on hire and other assets counting towards AFC activities	Amount Outstanding
i. Lease Assets including lease rentals under sundry debtors:	-
a. Finance Lease	-
b. Operating Lease	-
ii. Stocks 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	
1. Quoted	
i. Shares: a. Equity	-
b. Preference	-
ii. Debentures and Bonds	-
iii. Units of mutual funds	-
iv. Government Securities	-
v. Others	-
2. Unquoted	
i. Shares: a. Equity	-
b. Preference	-
ii. Debentures and Bonds	-
iii. Units of mutual funds	-
iv. Government Securities	-
v. Others	-
Long Term Investments	
1. Quoted	
i. Shares - Equity	-
- Preference	-
ii. Debentures and Bonds	-
iii. Units of mutual funds	-
iv. Government Securities	-
v. Others	-
2. Unquoted	
i. Shares - Equity	-
- Preference	-
ii. Debentures and Bonds	-
iii. Units of mutual funds	-
iv. Government Securities	-
v. Others	-

Notes to financial statements

for the year ended March 31, 2025

Note 52: Annex Disclosure requirements under Scale Based Regulation for NBFCs (contd)

5 Borrower group-wise classification of assets financed as in (2) and (3) above :

Please see Note 2 below

Category	Amount net of provision		Total
	Secured	Unsecured	
1 Related Parties**			
a. Subsidiaries	-	-	-
b. Companies in the same group	-	-	-
c. Other related parties	-	-	-
2 Other than related parties	210,920.25	38,421.75	249,342.00
Total	210,920.25	38,421.75	249,342.00

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Please see note 3 below

Category	Market Value/ Break up of fair value or NAV	Book Value (Net of Provisions)
1 Related Parties**		
a. Subsidiaries	-	-
b. Companies in the same group	-	-
c. Other related parties	-	-
2 Other than related parties	-	-
Total	-	-

** As per Accounting Standard of ICAI (Please see Note 3)

7 Other information

Particulars	As at March 31, 2025
i. Gross Non-Performing Assets	
a. Related Parties	-
b. Other than related parties	17,882.91
ii. Net Non-Performing Assets	
a. Related Parties	-
b. Other than related parties	7,475.40
iii. Assets acquired in satisfaction of debt	-

Amount is taken as Principal balance

Notes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- All Indian Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in category (4) above.

Notes to financial statements

for the year ended March 31, 2025

Note 52: Annex Disclosure requirements under Scale Based Regulation for NBFCs (contd)

As at March 31, 2024

Particulars	As on 31st March 2024 Amount Outstanding	As on 31st March 2024 Amount Overdue
LIABILITIES SIDE:		
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
a. Debentures (other than falling within the meaning of public deposits*)		-
- Secured	46,275.48	-
- Unsecured	-	-
b. Deferred Credits	-	-
c. Term Loans	167,604.60	-
d. Inter-corporate loans and borrowings	-	-
e. Commercial Paper	-	-
f. Other Loans - Demand loans	-	-
* Please see Note 1 below		

Particulars	As at March 31, 2024
ASSET SIDE:	
2 Break-up of Loans and Advances including bills receivables [other than those included in(4) below]:	Amount Outstanding
a. Secured	253,199.64
b. Unsecured	-
3 Break up of Leased Assets and stocks on hire and other assets counting towards AFC activities	Amount Outstanding
i. Lease Assets including lease rentals under sundry debtors:	-
a. Finance Lease	-
b. Operating Lease	-
ii. Stocks 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	
1. Quoted	
i. Shares: a.Equity	-
b. Preference	-
ii. Debentures and Bonds	-
iii. Units of mutual funds	-
iv. Government Securities	-
v. Others	-
2. Unquoted	
i. Shares: a. Equity	-
b. Preference	-

Notes to financial statements

for the year ended March 31, 2025

Note 52: Annex Disclosure requirements under Scale Based Regulation for NBFCs (contd)

Particulars	As at March 31, 2024
ii. Debentures and Bonds	-
iii. Units of mutual funds	-
iv. Government Securities	-
v. Others	-
Long Term Investments	
1. Quoted	
i. Shares - Equity	-
- Preference	-
ii. Debentures and Bonds	-
iii. Units of mutual funds	-
iv. Government Securities	-
v. Others	-
2. Unquoted	
i. Shares - Equity	-
- Preference	-
ii. Debentures and Bonds	-
iii. Units of mutual funds	-
iv. Government Securities	-
v. Others	-

5 Borrower group-wise classification of assets financed as in (2) and (3) above :

Please see Note 2 below

Category	Amount net of provision		Total
	Secured	Unsecured	
1 Related Parties**			
a. Subsidiaries	-	-	-
b. Companies in the same group	-	-	-
c. Other related parties	-	-	-
2 Other than related parties	253,199.64	-	253,199.64
Total	253,199.64	-	253,199.64

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Please see note 3 below

Category	Market Value/ Break up of fair value or NAV	Book Value (Net of Provisions)
1 Related Parties**		
a. Subsidiaries	-	-
b. Companies in the same group	-	-
c. Other related parties	-	-
2 Other than related parties	-	-
Total	-	-

** As per Accounting Standard of ICAI (Please see Note 3)

Notes to financial statements

for the year ended March 31, 2025

Note 52: Annex Disclosure requirements under Scale Based Regulation for NBFCs (contd)

7 Other information

Particulars	As at March 31, 2024
i. Gross Non-Performing Assets	
a. Related Parties	-
b. Other than related parties	9,711.16
ii. Net Non-Performing Assets	
a. Related Parties	-
b. Other than related parties	4,151.74
iii. Assets acquired in satisfaction of debt	-

Amount is taken as Principal balance

Notes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- All Indian Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in category (4) above.

Section I

Sectoral exposure

Sectors	Current Year			Previous Year		
	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	3,818.97	406.93	10.66%	2,819.61	115.48	4.10%
2. Industry						
i. Micro and Small						
- Engineering and Capital Goods	8,639.68	228.33	2.64%	6,848.18	103.95	1.52%
- Others	17,379.92	758.06	4.36%	14,686.98	429.24	2.92%
ii. Medium						
- Others	2,202.94	56.04	2.54%	2,125.12	29.78	1.40%
iii. Large						
- Others	115.57	47.90	41.45%	126.22	-	0.00%
Total of Industry	28,338.11	1,090.33	3.85%	23,786.50	562.97	2.37%

Notes to financial statements

for the year ended March 31, 2025

Note 52: Annex Disclosure requirements under Scale Based Regulation for NBFCs (contd)

Sectors	Current Year			Previous Year		
	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
3. Services						
i. Micro and Small						
- Contractor	9,956.42	254.26	2.55%	9,803.02	276.34	2.82%
- Others	26,080.12	1,023.26	3.92%	24,236.11	502.65	2.07%
ii. Medium						
- Others	4,960.62	58.87	1.19%	4,034.44	9.60	0.24%
iii. Large						
- Others	381.85	-	0.00%	322.87	-	0.00%
iv. Trade						
a. Micro and Small						
- Apparel & Textiles	4,316.81	2,629.37	60.91%	29,212.13	1,371.40	4.69%
- Automobiles	2,700.92	99.04	3.67%	8,737.94	202.08	2.31%
- Food and Beverage	2,215.53	1,945.75	87.82%	26,123.90	1,380.30	5.28%
- Groceries/FMCG/ Supermarkets	29,204.01	2,377.54	8.14%	26,096.64	1,279.24	4.90%
- Hardware and Electrical	14,891.09	891.59	5.99%	13,762.91	492.03	3.58%
- Mobile	166.02	489.79	295.02%	7,714.39	489.52	6.35%
- Petrol Pump/Fuel & Lubricants	6,355.40	373.68	5.88%	9,080.81	297.50	3.28%
- Pharma/Clinic, Labs & Hospitals	14,410.61	1,077.02	7.47%	15,885.61	474.61	2.99%
- Others	113,188.08	5,037.47	4.45%	61,608.90	2,188.91	3.55%
b. Medium	3,798.09	128.01	3.37%	2,540.00	27.33	1.08%
c. Large	69.07	-	0.00%	245.98	41.20	16.75%
Total of Services	232,694.64	16,385.65	7.04%	239,405.65	9,032.71	3.77%
4. Personal Loans	NA	NA	NA	NA	NA	NA
5. Others, if any (please specify)	NA	NA	NA	NA	NA	NA

The company has complied the data for the purpose of this disclosure from its internal records.

Notes to financial statements

for the year ended March 31, 2025

Note 52: Annex Disclosure requirements under Scale Based Regulation for NBFCs (contd)

Section II

Related Party Disclosure are disclosed in Note 49.15

Section III

Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	Current Year	Previous Year
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	6	-
2	Number of complaints received during the year	1,158	259
3	Number of complaints disposed during the year	1,142	253
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	22	6
Maintainable complaints received by the NBFC from Office of Ombudsman			
5*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	67	71
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	67	71
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6*	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

As certified by management and relied by Auditors

Section IV

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year (FY 2024-25)					
Loans And Advances*	6	598	265%	22	Nil
Recovery Agents/ Direct Sales Agents	-	441	1596%	-	-
Cibil related	-	119	72%	-	-
Others	-	-	0%	-	-
Total	6	1,158		22	-
Previous Year (FY 2023-24)					
Loans And Advances	-	164	76%	6	Nil
Recovery Agents/ Direct Sales Agents	-	26	-	-	-
Cibil related	-	69	229%	-	-
Others	-	-	-100%	-	-
Total	-	259		6	-

As certified by management and relied by Auditors

*Loan and advances includes grounds of complaints such as, Documentation Related Request/Clarification, Settlement, Loan Restructure, Information, Pre-Closure/Foreclosure and NACH Related.

Notes to financial statements

for the year ended March 31, 2025

Note 53: The Company has reclassified/regrouped previous year figures to conform to the current year's classification, where applicable.

(₹ in Lakhs)

Particulars	Amount
Interest accrual on fixed deposit regrouped from Bank balance to Cash and cash equivalents	3.54
Provision on non fund limit regrouped from Provision to Loans	13.21
Prepaid on PTC regroup from other non financials assets to Borrowings	87.29
Recoverable from insurance company for parents mediclaim policy regroup from other non financials assets to Other financials assets	18.10
Current tax regrouped from Other non financial assets to current tax	25.05
Advance to staff regrouped from other financials assets to Other non financials assets	28.23
Collective incentive for off roll employees regrouped from Employee benefit expense to Other expenses	213.20
Stamp duty paid on mutual fund purchase regrouped from other expenses to Net gain on fair value changes	17.08
Paylater Penal Income – NPA regrouped from interest income to Other income	19.19

Note 54: Breaches of covenant

The Company reports covenant breaches to its lenders on regular basis. However, the Company has obtained covenant waiver/no action letters/amendment letters in respect of these covenant breaches from lenders. No loans have been recalled by any of the lender due to covenant breaches for the year ended March 31, 2025 and for the year ended on March 31, 2024.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For KKC & Associates LLP

Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No: 105146W/W100621

For and on behalf of the Board of Directors

Vinit K Jain

Partner
Membership No. 145911
Place: Mumbai
Date: May 16, 2025

Dhruv Kumar Khaitan

Director
DIN 00002584
Place: Mumbai

Arun Kumar Nayyar

Managing Director & CEO
DIN 06804277
Place: Mumbai

Deepak Goswami

Chief Financial Officer
Place: Mumbai

Rohit Rai

Company Secretary
(ACS: 35505)
Place: Mumbai
Date: May 16, 2025

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of the NeoGrowth Credit Private Limited will be held on Monday, August 25, 2025, at 03.00 PM IST through Video Conferencing mode to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon.

SPECIAL BUSINESS:

2. **To appoint Ms. P.H. Vijaya Deepti (DIN:08125456) as Nominee Director, representing Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. ("FMO")**

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

RESOLVED THAT Ms. P.H. Vijaya Deepti (DIN-08125456) who was appointed as an Additional Director w.e.f. September 09, 2024 pursuant to the provisions of Section 152 and 161 of the Companies Act, 2023 and other applicable provisions of the Companies Act, 2013, as amended from time to time, Articles of Association of the Company and other applicable provisions and such other consent and permission as may be necessary, and subject to such modifications, variations, based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, the approval of the Members be and is hereby accorded for the appointment of Ms. P.H. Vijaya Deepti (DIN: 08125456), representing Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. ("FMO"), as Nominee Director on the Board of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director and/or, Chief Financial Officer (CFO) and/or Company Secretary of the Company be and is hereby authorized jointly and/or severally on behalf of the Company to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign, file, execute notice, documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-forms as return of appointment with the registrar of companies, Mumbai.

3. **To appoint Mr. Pranav Kumar (DIN:07896173) as Nominee Director, representing Trinity Inclusion Limited**

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

RESOLVED THAT Mr. Pranav Kumar (DIN:07896173) who was appointed as an Additional Director w.e.f. April 23, 2025 pursuant to the provisions of Section 152 and 161 of the Companies Act, 2023 and other applicable provisions of the Companies Act, 2013, as amended from time to time, Articles of Association of the Company and other applicable provisions and such other consent and permission as may be necessary, and subject to such modifications, variations, based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, the approval of the Members be and is hereby accorded for the appointment of Mr. Pranav Kumar (DIN:07896173), representing Trinity Inclusion Limited, as Nominee Director on the Board of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director and/or, Chief Financial Officer (CFO) and/or Company Secretary of the Company be and is hereby authorized jointly and/or severally on behalf of the Company to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign, file, execute notice, documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-forms as return of appointment with the registrar of companies, Mumbai.

4. **Re-affirmation of borrowing limit up to ₹ 3,500 crore under Section 180 (1)(c) of the Companies Act, 2013**

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

RESOLVED THAT in supersession of all the earlier resolutions passed by the Company and pursuant to Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") for borrowing from

time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board may deem fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the total amount of money/ moneys so borrowed shall not exceed ₹ 3,500 crores (Rupees Three Thousand Five Hundred Crores Only).

RESOLVED FURTHER THAT in connection with the aforesaid, the Board of Directors (including any Committee thereof) be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.

5. Re-affirmation of Authority to Create Charge over Company's Assets

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

RESOLVED THAT in supersession of all the earlier resolutions passed by the Company and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/ financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/ or rupee/foreign currency convertible bonds and/or foreign currency bonds and/or bonds with share warrants attached (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which

the charge is to be created, shall not, at any time exceed ₹3,500 Crores (Rupees Three Thousand Five Hundred crores).

RESOLVED FURTHER THAT in connection with the aforesaid, the Board of Directors (including any Committee thereof) be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.

6. To consider and approve creation of additional Pool of 800,000 (8 Lakh) ESOPs under ESOP 2024 Scheme and to modify the clause 3.1 in ESOP 2024 Scheme:

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

RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company, and subject further to such other approvals, permissions and sanctions as may be necessary under the applicable regulations, consent of the members be and is hereby accorded for the creation of additional 800,000 stock options under ESOP 2024 Scheme in addition to the existing ESOP pool of 800,000 under this scheme, making a total pool for ESOPs under this Scheme to 16,00,000 equity shares of face value of ₹ 10 each fully paid-up, to be allotted to the option grantees by the Company, where one option upon exercise shall convert in to one equity share of the Company subject to payment/ recovery of requisite exercise price and applicable taxes, on such further terms, conditions and in such manner as the Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

RESOLVED THAT the consent of members of the Company be and is hereby accorded to alter the clause 3.1 of ESOP 2024 Scheme and the amended clause are as under:

The shareholders of the Company have approved the Plan authorizing the Committee to grant not exceeding 16,00,000 [Sixteen Lakhs] Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into not more than 16,00,000 [Sixteen Lakhs] Shares of face value of ₹10 (Ten) each fully paid up representing the current paid up capital of the Company on fully diluted basis, with each such Option conferring a

right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.

RESOLVED FURTHER THAT the equity shares of the Company as specified hereinabove shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are required to be issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling in terms of number of equity shares specified above shall be deemed to be increased to the extent of such additional equity shares are required to be issued.

RESOLVED FURTHER THAT in connection with the aforesaid, the Board/ its sub-Committee, be and is hereby authorized to decide on allocation, grant and vesting of ESOPs to eligible employees and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.

By Order of the Board of Directors
For NeoGrowth Credit Private Limited

Rohit Rai
Company Secretary
Membership. No. A35505
Place: Mumbai
Date: July 22, 2025

1. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 ('MCA Circulars'), has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing or Other Audio-Visual Means ('VC/OAVM') till September 30, 2025. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
2. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting. Also, the electronic copy of the relevant documents referred to in the accompanying Notice and the Statement will be made available for inspection by the Members through e-mail. The Members are requested to send an email to secretarial@neogrowth.in for the same.
3. Since AGM is being conducted through VC/OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available.
4. Members can login and join 15 (fifteen) minutes prior to the scheduled time of the meeting and the facility for joining the meeting shall be kept open till expiry of 15 (fifteen) minutes after the scheduled time.
5. Members may raise questions during the meeting or one day prior to the scheduled date of the meeting by sending across their question to secretarial@neogrowth.in
6. Corporate members are requested to send at secretarial@neogrowth.in before attending AGM, a duly certified copy of the board resolution authorizing their representative to attend and vote at AGM pursuant to Section 113 of the Companies Act, 2013.
7. An explanatory statement pursuant to Section 102 of the Companies Act 2013 relating to the Special Business to be transacted at the AGM is annexed hereto.
8. The notice of AGM and other relevant documents are being sent in electronic mode to members whose e-mail address is registered with the Company. Members, who have not registered their email address with the Company, can get the same registered with the company by requesting in member updation form by sending an email to secretarial@neogrowth.in. The Company has contacted such members over telephone and requested them to register their email addresses with the Company by submitting duly filled and signed member updation form to the above-mentioned email.
9. Voting by show of hands is permitted as advised by Ministry of Corporate Affairs and in case of demand for poll the members / representatives have to send emails to the designated email id secretarial@neogrowth.in signifying their choice on voting in the affirmative or negative in respect of each resolution during the course of the meeting. E-votes will be counted during the meeting and results will be announced by the Chairman. In case it would take time to count the e-votes the meeting may be adjourned for announcing the results of the e-votes for all resolutions.
10. A member can vote by sending a poll paper through an email on secretarial@neogrowth.in during the meeting.
11. The relevant details, pursuant to Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment at this AGM are annexed

EXPLANATORY STATEMENT ANNEXED TO NOTICE PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, RULES MADE THEREUNDER AND SECRETARIAL STANDARDS ON GENERAL MEETING (SS-2):

Item No. 02:

To appoint Ms. P.H. Vijaya Deepti (DIN:08125456) as Nominee Director, representing Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. ("FMO"):

In pursuance to the terms and conditions of the Investment Agreement dated November 25, 2022, entered by and amongst the Company and its shareholders and with reference to the Nomination Letter received from FMO, it is proposed to appoint Ms. P.H. Vijaya Deepti (DIN: 08125456) as a Nominee Director representing FMO. The Nomination and Remuneration Committee considered her appointment as Additional Director and recommended her appointment to the Board. Accordingly, the Board through circulation accorded its assent for the appointment of Ms. P.H. Vijaya Deepti (DIN: 08125456) w.e.f. September 09, 2024 as an Additional Director to hold office up to the conclusion of the ensuing Annual General Meeting of the Company.

Accordingly, the Board recommends the proposed resolution set out in Item No. 02 for the approval of members by way of Ordinary Resolution.

The Brief profile of Ms. P.H. Vijaya Deepti is as below: -

Ms. Vijaya Deepti is a Member - Board of Directors at Tata AIG General Insurance Co. Ltd and a Member of the Risk Management Committee and Audit Committee. As an Independent Director at Aster DM Healthcare, she Chairs the Risk Management Committee and Technology Steering Committee in addition to being a member of the Nominations, Remuneration and Compensations and CSR Committees. As an Additional Director at Credit Access Life Insurance Company, she Chairs the PP, GR and CM and the NRC and is a member of the Audit Committee. She is an Additional Director on the Board of NeoGrowth Credit Pvt Ltd. She is a Director on the Board of GIEEE Institute of Engineers and a Trustee at Grassroots Research and Advocacy Movement.

She was the CEO of Tata Insights and Quants a Division of the Tata Industries Ltd. The Organization is a Center

of Excellence for Data and Analytics for the Tata Group. The focus is to work with the Tata Group Companies on leveraging Advanced Analytics to address business challenges. She has been supporting IEEE Working Groups to build Industrial AI Standards.

She was with Tata Consultancy Services (TCS) for over three decades and held roles both at Corporate and Business Unit Level. As a member of the Corporate Governance Team, she supported multiple Business Units in their strategic initiatives and programs. She was on the Board of Diligenta which is a Regulated Subsidiary of TCS in UK. As Head of Global Insurance Product Business at TCS, she was responsible for product development and client delivery initiatives globally. Previously, she served as the Head of Global Insurance Delivery with an additional responsibility to grow UK and European Insurance business. Under her leadership, the TCS Insurance unit won a number of strategic large deals, acquired new customers and achieved multifold growth.

As a long-standing member of TCS Business Excellence Council, Deepti has been responsible for driving the TATA Group's Business Excellence (TBEM) initiative. She has worked as Head of Quality Council and has championed various Six Sigma Initiatives within TCS across multiple customer engagements.

In Dec 2009, she was conferred the "Leading Business Woman of The Year" award by Women Leaders in India (WLII) in recognition for her contribution towards growing the insurance business within TCS despite the global economic downturn. In 2023, she was conferred Distinguished Alumnus Award by VJTI, Mumbai.

She has been working with a number of NGO's in areas such as Integrated Forest Management, Education for the underprivileged and grooming of leadership talent.

Additional Information pursuant to Secretarial Standards (SS-2)

Name of the Director	Ms. P.H. Vijaya Deepti
Date of first appointment on the Board	September 09, 2024
Date of Birth (Age)	October 18, 1961 (63 Years)
DIN	08125456
Designation/category of the Director	Non-Executive, Nominee Director
Qualification	B.E (Mech.)
Area of Expertise/ Experience	Technology and BFSI
Number of Meetings of Board attended during the year	During F.Y. 2024-2025, Ms. P.H. Vijaya Deepti was eligible to attend 4 Board meetings of which she had attended all the 4 Board Meetings.
Shareholding in the Company	NIL

Name of the Director	Ms. P.H. Vijaya Deepti
Details of Remuneration sought to be paid	The director will be paid monthly remuneration of ₹ 2,00,000/-
Remuneration last drawn	During the F.Y. 2024-2025, Ms. P.H. Vijaya Deepti was paid ₹ 1,346,666
Relationship with any other Director, Manager and other Key Managerial Personnel of the Company	Not applicable
Name of the other Companies in which also holds Directorships and other Directorships, membership/ Chairmanship of Committees of other Boards (The companies mentioned as Companies registered under Companies Act 1956 & 2013)	1. TATA AIG General Insurance Company Limited 2. Aster DM Healthcare Limited 3. Credit Access Life Insurance Company Limited 4. Global Institute of Engineers Board, an Unlisted Section 8 Company

None of the Directors (except Ms. P.H. Vijaya Deepti), Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution set out at item no. 02.

The Board of Directors recommends the Ordinary Resolution set out at item No. 2 of the Notice for approval by Members.

Item No. 03:

To appoint Mr. Pranav Kumar (DIN:07896173) as Nominee Director, representing Trinity Inclusion Limited

In pursuance to the terms and conditions of the Investment Agreement dated November 25, 2022, entered by and amongst the Company and its shareholders and with reference to the Nomination Letter received from Trinity Inclusion Limited, it is proposed to appoint Mr. Pranav Kumar (DIN: 07896173) as a Nominee Director representing Trinity Inclusion Limited. The Nomination and Remuneration Committee considered his appointment as Additional Director and recommended his appointment to the Board. Accordingly, the Board through circulation accorded its assent for appointment of Mr. Pranav Kumar (DIN: 07896173) w.e.f.

April 23, 2025 as an Additional Director to hold office up to the conclusion of the ensuing Annual General Meeting of the Company.

Accordingly, the Board recommends the proposed resolution set out in Item No. 03 for the approval of members by way of Ordinary Resolution.

The Brief profile of Mr. Pranav Kumar is as below: -

Mr. Pranav Kumar is a Partner in Leap Frog's Asia Financial Services team based in Singapore.

He leads new investments, portfolio management and exits across South and Southeast Asia. He currently serves on the boards of LeapFrog partner companies Dvara KGFS and Shubham. His other notable transactions include NeoGrowth, Fincare (acquired by AU Bank) and Magma Fincorp (exited).

Prior to joining LeapFrog, Mr. Pranav held positions at the World Bank Group and McKinsey & Company. Pranav holds an MBA from Indian Institute of Management, Ahmedabad, and a Bachelor of Technology degree in computer science and engineering from the Indian Institute of Technology, Bombay.

Additional Information pursuant to Secretarial Standards (SS-2)

Name	Mr. Pranav Kumar
Date of first appointment on the Board	April 23, 2025
Date of Birth (Age)	July 24, 1984 (40 years)
DIN	07896173
Qualification	MBA (Indian Institute of Management, Ahmedabad), Bachelor of Technology, Computer Science and Engineering (Indian Institute of Technology, Bombay)
Area of Expertise/Experience	Investment Professional
Number of Meetings of Board attended during the year	Not Applicable
Shareholding in the Company	NIL
Details of Remuneration sought to be paid	Not Applicable
Remuneration last drawn	Not Applicable
Relationship with any other Director, Manager and other Key Managerial Personnel of the Company	Not Applicable
Name of the other Companies in which also holds Directorships and other Directorships, membership/ Chairmanship of Committees of other Boards (The companies mentioned as Companies registered under Companies Act 1956 & 2013)	1. Shubham Housing Development Finance Company Limited (India) 2. Dvara Kshetriya Gramin Financial Services Private Limited (India)

None of the Directors (except Mr. Pranav Kumar), Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution set out at item no. 03.

The Board of Directors recommends the Ordinary Resolution set out at item No. 3 of the Notice for approval by Members.

Item No. 04:

Re-affirmation of overall borrowing limit up to ₹ 3,500 crore under Section 180 (1)(c) of the Companies Act, 2013

As per the provisions of Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting by passing a Special Resolution, borrow monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company. The members at the Annual General Meeting of the Company held on June 10, 2024 had approved the borrowing of sums in excess of its paid-up capital, free reserves and securities premium account not exceeding ₹ 3,500 crore under Section 180(1)(c) of the Companies Act, 2013.

Taking into consideration the growth in the business operations, foreseeable future plans and the existing credit facilities availed by the Company, the Board of Directors recommend for Shareholders approval through Special resolution to re-affirm the said borrowing limits for the Board and authorise the Board of Directors to borrow monies which may exceed at any time aggregate of the paid-up capital of the Company and its free reserves and securities premium but not exceeding ₹ 3500 Crore.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board of Directors recommends the Special Resolution set out at item No. 4 of the Notice for approval by Members.

Item No. 05:

Re-affirmation of Authority to create Charge over Company's Assets

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s). The mortgage and/or charge by the Company of its movable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/trustees. Further, the Company in certain events of default by the

Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180 (1) (a) of the Companies Act, 2013. Hence it shall be necessary to obtain approval for the same from the Shareholders. The members at the Annual General Meeting of the Company held on June 10, 2024 had approved the creation of security not exceeding ₹ 3,500 crore under Section 180(1) (a) of the Companies Act, 2013. The Board of Directors recommend for Shareholders approval through Special resolution to re-affirm the authority to create charge over Company's Assets upto ₹ 3,500 crore.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board of Directors recommends the Special Resolution set out at item No. 5 of the Notice for approval by Members.

Item No. 06:

To consider and approve creation of additional Pool of 800,000 (8 Lakh) ESOPs under ESOP 2024 Scheme and to modify the clause 3.1 in ESOP 2024 Scheme

The primary objective of creating the aforesaid additional pool is to motivate key employees for accelerated corporate growth and creation of shareholders' value, retain and reward the performance of the Employees of the Company by providing them wealth creation opportunity. The Company also intends to use the pool to motivate key talents working with the Company by way of rewarding their high performance and motivating them to contribute to the overall long-term corporate growth and profitability. The increase in ESOP pool requires the shareholders' approval after the approval from the Board.

Accordingly, the Nomination and Remuneration Committee ("Committee") and the Board of Directors of the Company ("Board") have approved the creation of additional pool of 8,00,000 (8 Lakh) ESOPs to the ESOP Scheme 2024 on April 22, 2025, and April 23, 2025, respectively making a total pool for ESOPs under this Scheme to 1,600,000.

The disclosure as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 are as follows:

a) Total number of Options to be granted:

A total of 8,00,000 [Eight Lakhs Only] additional options would be available for being granted to the eligible employees of the Company under the Plan. Each Option when exercised would be converted into one equity share of face value of ₹10 (Rupees Ten) each fully paid-up.

Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees or otherwise, would be available for being re-granted. The Committee is authorized to re-grant such lapsed / cancelled Options as per the Plan.

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the Options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the Option grantees for making such fair and reasonable adjustment, the ceiling of Options/ equity shares as aforesaid shall be deemed to increase to the extent of such additional equity shares issued.

b) Identification of classes of employees entitled to participate in the Plan:

Following classes of employees and Directors (collectively referred to as "Employees") are eligible being:

- i. an employee as designated by the company, who is exclusively working in India or outside India; or
- ii. a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
- iii. an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the company, but excludes—
 - a) an employee who is a promoter or a person belonging to the promoter group; or
 - b) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company.

c) Appraisal process for determining the eligibility of the Employees to Employee Stock Options:

Appraisal process for determining the eligibility of the employees will be based on aspects including but not limited to designation, period of service, performance linked parameters, personal rating such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

d) Requirements of vesting and period of vesting:

The Options granted shall vest so long as the employee continues to be in the employment or service of the Company, on the date of vesting and must neither be serving his notice of resignation nor termination of employment/ service on such date of vesting nor be subject to any disciplinary proceedings pending against him on such date of vesting.

The vesting period of Options granted shall not be earlier than minimum period of 1 (one) year and not later than maximum period of 4 (Four) years from the date of Grant.

e) The maximum period within which the Options shall be vested:

The Options granted under Plan shall vest not earlier than minimum period of 1 (one) year and not later than maximum period of 4 (Four) years from the date of Grant. The Nomination and Remuneration Committee (NRC) or the Board at its discretion may grant Options specifying Vesting Period ranging from minimum and maximum period as afore stated.

f) The exercise price or pricing formula:

The Exercise Price per Option shall be determined by the Nomination and Remuneration Committee or the Board which shall not be lesser than the face value and not more than the Fair Market Value of the Share as on date of Grant of such Option.

g) The exercise period and the process of exercise:

Exercise while in employment/ service:

The Vested Options can be exercised by the Option Grantees only in connection with or upon the happening of a Liquidity Event (as defined in the Plan) and within such period as prescribed by the Committee in this regard.

The exercise period in case of separation from employment/ service and in case of separation due to resignation/termination (without Misconduct) are covered under clause 8.2 (b) and (c) of ESOP 2024 Scheme.

Procedure of Exercise:

The vested Options can be exercised by the option grantee by a written application to the Company in the format as may be prescribed by the Committee. The Options will lapse if not exercised within the specified exercise period.

h) Maximum number of Options to be issued per employee and in aggregate:

Number of Options that may be granted to any individual employee under the Plan shall be lesser than 3,20,000 [Three Lakhs Twenty Thousand] options at the time of grant of Option.

i) Lock-in period:

Unless the Committee otherwise decides, the Shares arising out of Exercise of the Vested Options would not be subject to any lock-in period after such Exercise except such restrictions as prescribed under the applicable laws.

j) Disclosure and Accounting Policies:

The Company shall comply with the disclosure and the accounting policies as prescribed under prevailing accounting guidelines/ standards.

The rules/regulations to be followed shall include but not limited to the IND AS/ Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein.

k) Method of Option valuation:

To calculate the employee compensation cost, the Company shall use the fair value method for valuation of the Options granted as per prescribed under Ind-AS 102 or under any relevant accounting standard as notified by appropriate authorities from time to time.

l) The conditions under which Options vested in employees may lapse:

The vested Options shall lapse in case of termination of employment due to misconduct or due to breach of Company policies or the terms of employment. Further, irrespective of employment status, in case vested Options are not exercised within the prescribed exercise period, then such vested Options shall lapse.

m) The specified time period within which the employee shall exercise the vested Options in the event of a proposed termination of employment or resignation or retirement of employee:

In case of termination of employment due to misconduct, all the vested options shall lapse and cannot be exercised.

In case of retirement/resignation/ termination (other than due to misconduct), all the vested Options as on the last working day can be exercised by the Option Grantee only in connection with or upon happening of Liquidity Events. Additionally, in case of retirement unvested options shall be allowed to vest as per the original vesting schedule.

In the case of termination of employment due to death or permanent incapacity of the option grantee, all Options granted can be exercised by the option grantee or its nominees or legal heirs only in connection with or upon happening of Liquidity Event.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution set out at item no. 06.

The Board of Directors recommends the resolution set out at item no. 6 of the Notice for approval by Members.

By Order of the Board of Directors
For NeoGrowth Credit Private Limited

Rohit Rai

Date: July 22, 2025

Place: Mumbai

Company Secretary
Membership No. A35505



REGISTERED OFFICE

Registered/Head Office: Times Square, Tower E,
9th Floor, Andheri-Kurla Road, Marol, Andheri East,
Mumbai-400059, Maharashtra

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