

MFSL/SEC/EQ/2025/64

August 08, 2025

To,  
The Manager,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400001

To,  
General Manager  
**National Stock Exchange of India Limited**  
Exchange Plaza  
Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (East)  
Mumbai – 400051

Scrip Code: **540749, 947381**

Trading Symbol: **MASFIN**

Dear Sir,

**Sub: Annual Report for the Financial Year 2024-25 containing Notice of the 30<sup>th</sup> Annual General Meeting pursuant to Regulation 30, 34 and 53 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").**

Pursuant to Regulation 34 read with Regulation 30 and Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find enclosed herewith the following documents for the Financial Year 2024-25:

1. Notice of the 30<sup>th</sup> AGM scheduled to be held on Wednesday, September 3, 2025 at 11:30 a.m. IST through VC /OAVM.
2. Annual Report for the Financial Year 2024-25 and
3. Business Responsibility and Sustainability Report for the Financial Year 2024-25.

In compliance with Circulars issued by MCA and SEBI, the Notice convening the AGM and the Annual Report of the Company for the FY 2024-25 are being sent to all the members of the Company whose email addresses are registered with the Company or Depository Participant(s). Further, in accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, the Company has sent a letter containing the web-link along with the path to access the Annual Report 2024-25 (including the Notice) to the Members whose email addresses are not registered with the Company/RTA/Depository Participant(s).

The Member who wishes to obtain a hard copy of the Annual Report can send a request for the same at [Riddhi\\_Bhayani@mas.co.in](mailto:Riddhi_Bhayani@mas.co.in) in mentioning Folio No/ DP ID and Client ID. The Notice of AGM along with the Annual Report for the FY 2024-25 is also being made available on the website of the Company at: <https://www.mas.co.in/pdf/annual-report-fy242505082025120207.pdf>

Following are important dates in this regards:

| Sr. No. | Particulars  | Date   |
|---------|--|--|
| 1       | Book Closure   | Thursday, August 28, 2025 to<br>Wednesday, September 3, 2025 (both days inclusive)                           |
| 2       | Cut-off Date for E-Voting &<br>Record date for Final<br>Dividend | Wednesday, August 27, 2025   |
| 3       | Remote E-Voting  | Commences at 09:00 A.M. on Saturday, August 30, 2025<br>and ends at 05:00 P.M. on Tuesday, September 2, 2025 |
| 4       | Date of AGM  | Wednesday, September 3, 2025 at 11:30 A.M.   |

Kindly take the same on your record and treat the same as compliance with the applicable provisions of the Listing Regulations.

Thanking you,

Yours faithfully,

**For, MAS Financial Services Limited**

**Riddhi Bhaveshbhai Bhayani**  
**Company Secretary and Chief Compliance Officer**  
**ACS No.: A41206**

Encl: As above



***“EVERY TIME WE  
REACH A MILE STONE  
WE BELIEVE WE HAVE  
JUST BEGUN”***



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*Tribute to*

## **Late Shri Mukesh Gandhi (1957–2021)**


*Co-Founder and Whole-time Director & CFO of MAS Financial Services*

Late Shri Mukesh Gandhi was instrumental in transforming the company from its humble beginnings in 1995 into a leading retail financing institution. He was widely respected in the industry for his compassion, positivity, and pragmatism, and for exemplifying visionary leadership with a vigilant commitment to excellence. His legacy continues to inspire us, and MAS remains committed to upholding the values and vision he championed.



# PURPOSE LED. PROGRESS DRIVEN.

This transformation is more than a visual shift — it's a renewed pledge to empower communities, support enterprises, and drive sustainable economic growth.

The background of the slide is a photograph of a long, straight asphalt road stretching towards a bright sunrise. The sun is low on the horizon, creating a warm, golden glow across the sky and the road. The road has a dashed yellow line down the center and solid white lines on the sides. The surrounding landscape is a dry, open field with some sparse vegetation.

**Energised by purpose.  
Reimagined by impact.**

Meet the new sunrise at MAS Financial



***Purpose Led. Progress Driven.***

Inspired by our belief that true financial empowerment is meaningful, inclusive, and deeply human — we're proud to unveil our new identity. More than a visual shift, it reflects our commitment to lasting impact and entrepreneurial progress. Built on our core strengths — the pursuit of excellence and the power of distribution — we bring forward the rays of transformation, as we back intent, strengthen enterprise, and enable impact.

As your partners in growth, we look forward to shaping a brighter future — one that drives economic progress and nurtures long-term value.

# GEARED UP FOR NEXT LEG OF SUSTAINABLE GROWTH

Over the years, despite multiple economic disruptions, MAS has demonstrated unwavering resilience and delivered consistent & sustainable growth with stable assets – largely driven by internal accruals.

Our ability to maintain a high-quality portfolio, with Net Stage 3 Assets consistently below 2%, reflects our prudent lending practices and sound risk management. With healthy returns on assets and equity, our journey stands as a testament to the strength of our model and the trust of those we serve.

Taking the sustainable growth journey forward, In FY 2025, we raised ₹ 500 Crores through Qualified Institutional Placement (QIP) to further strengthen the balance sheet and gear up for the next phase of growth. The QIP was the first equity raise by the company since its IPO in the year 2017 and it witnessed an overwhelming response resulting in demand of multiple times over the issue size. The issue garnered a strong response from a diverse group of marquee institutional investors reflecting broad-based interest.

Going forward, we aim to deliver robust financial performance by maintaining our trajectory of sustainable, consistent and quality growth as demonstrated over three decades.



# CELEBRATING 30 YEARS OF ENDEAVOURS

As we completed 30 Years of Endeavours in 2025, we unveiled a renewed identity that reflects our enduring values, vision, and core strengths – the power of distribution and excellence through endeavours.









# MFSL (STANDALONE) KEY NUMBERS

## JOURNEY OF 120 QUARTERS



**35.12%** CAGR

Assets Under Management



**38.85%** CAGR

Profit After Tax

### FY 2024-25



**₹ 12,100** Crore

Assets Under Management



**2.84%**

Return on Average AUM



**₹ 306** Crore

Profit After Tax



**1.62%**

Net Stage 3 Assets



**24.72%**

Capital Adequacy Ratio



**14.11%**

Return on Network

# MRHMFL (SUBSIDIARY) KEY NUMBERS

## JOURNEY OF 68 QUARTERS



**39.05%** CAGR

Assets Under Management



**52.65%** CAGR

Profit After Tax

### FY 2024-25



**₹ 768** Crore

Assets Under Management



**1.55%**

Return on Average AUM



**34.74%**

Capital Adequacy Ratio



**0.65%**

Net Stage 3 Assets



## MAS Financial Services Ltd.



### Empowering Aspirations. Enabling Inclusion.

At MAS, every milestone is a reminder that our journey has just begun. Since our inception in 1995, we've stayed true to our mission – to serve the credit needs of underserved and unbanked segments across India. Built on the belief that consistent, sustainable growth creates the most enduring impact; we have evolved into a trusted partner for India's aspiring individuals and small enterprises.

With a diverse product suite comprising Micro Enterprise Loans, SME Loans, Two-Wheeler Loans, Used Vehicle Loans, and Salaried Personal Loans, we cater to the needs of mid- and low-income households across urban, semi-urban, and rural India. Our distribution network includes 204 branches and a Pan-India presence through 200 NBFC partners, helping us scale responsibly and deepen our community impact.

We continue to invest in technology and build in-house team to strengthen operational efficiency. With a fully in-house approach, we design, develop, and maintain all core systems and applications tailored to the dynamic needs of our financial services. We have developed loan origination system (LOS) in-house for all our products. The integration of 50+ APIs has helped us to source authenticated data, accelerate credit decisions, reduce costs, and enhance customer experience – We plan to implement Business Rules Engine (BRE) across all our LOS for enhanced decision accuracy and further reduction in costs.



### Strength Through Cycles

Through economic shifts – from demonetisation and GST rollout to liquidity crises and the pandemic – MAS has stood resilient. For over 18 years since our first capital raise, we've delivered consistent growth, maintained Net Stage 3 Assets 3 below 2%, and achieved healthy returns on both assets and equity, driven largely by internal accruals.

Our strength lies in our disciplined approach: de-risking across geographies, products, and channels, while keeping asset quality intact. But beyond financial metrics, our deeper success lies in our ability to empower entrepreneurs, fuel livelihoods, and build lasting value for underserved communities.

## MAS Rural Housing & Mortgage Finance Ltd. (MRHMFL)



### Catalysing Home-centric Dreams

MRHMFL, our NHB-registered subsidiary, has been a dedicated player in affordable housing finance since 2007-08. Headquartered in Ahmedabad, MRHMFL caters to salaried and self-employed individuals across Gujarat, Maharashtra, Rajasthan, and Madhya Pradesh.

Through 97 branches and 137 sourcing intermediaries, MRHMFL provides loans for home purchase, construction, improvement, and commercial property. It also finances developers building affordable housing, thereby fostering community development at scale.

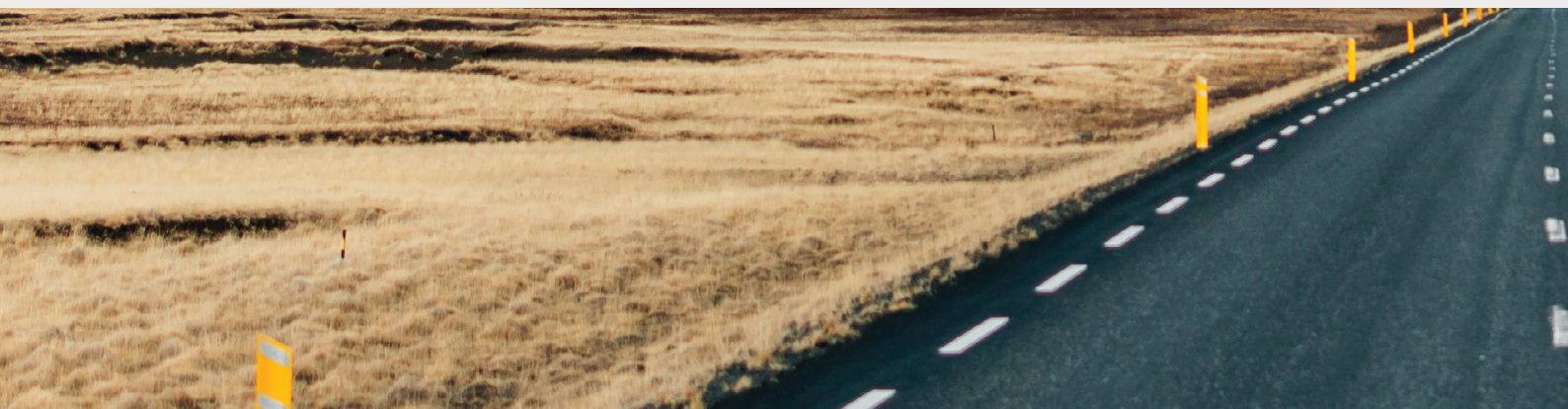
By focusing on semi-urban and rural areas, MRHMFL continues to expand housing access for India's aspiring homeowners – strengthening our commitment to inclusive growth and nation-building.



## OUR JOURNEY

# MAS FINANCIAL MILESTONES\* IN MOTION

Since our inception in 1995, every step of our journey has been guided by a strong commitment to excellence and an unrelenting focus on customer trust. What began as a vision to serve with integrity has evolved into a legacy built on sound practices, quality execution, and a future-focussed approach.



Our progress reflects the dedication of our people, the strength of our values, and our continuous pursuit of raising the bar – year after year, milestone after milestone.

### 1995

- Year of Incorporation
- Commenced retail finance operations with Two-wheeler and Micro-Enterprise loans

### 2006

- Received first round of capital infusion of ₹6.5 Crore from Bellwether Micro Fund

### 2008

- Acquired 2<sup>nd</sup> & 3<sup>rd</sup> round of capital infusion worth ₹43.5 Crore and ₹40 Crore from FMO and ICICI Venture, respectively
- Floated the housing finance subsidiary

### 2011

- Listing of NCDs on Bombay Stock Exchange

### 2012

- Received the fourth round of capital infusion of ₹ 65 Crore from DEG

### 2013

- Disbursement and AUM crossed ₹ 1,000 Crore benchmark

### 2014

- Sarva Capital purchased 50% CCPS held in secondary deal by FMO

### 2015

- Raised Subordinate Debenture of ₹ 20 Crore
- AUM crossed ₹ 2,000 Crore

### 2016

- Bank loan rating was upgraded to 'IND A' with 'Stable outlook'
- Raised subordinate debentures of ₹40 Crore

### 2017

- Motilal Oswal infused capital of ₹135 Crore
- Raised fresh capital of ₹233 Crore via IPO Listing of Equity Shares on BSE & NSE

### 2019

- AUM crossed ₹5,000 Crore
- Bank loan rating upgraded to "Acuité AA-" with Stable outlook and Short-term rating assigned as Acuité A1+

### 2020

- Completed 25<sup>th</sup> Year of Endeavours

### 2021

- Inclusive Finance India Award 2020 – NBFC lending to Micro and Small Enterprises
- Raised ₹65 Crore via market-linked NCDs (MLD)



## 2022

- ASSOCHAM 8<sup>th</sup> MSMEs Excellence Awards March 2022 – Best MSME Lending of the Year
- New subsidiary: MASFIN Insurance Broking Private Limited

## 2023

- Great Place to Work Certified (Jan 2023 - Jan 2024)
- Net Profit for the Year crossed ₹200 Crore
- Consolidated AUM crossed ₹ 10,000 Crore

## 2024

- Standalone AUM crossed ₹ 10,000 Crore
- Long Term Bank Facilities & NCD rating upgraded to "CARE AA-; Stable" and "Acuite AA; Stable"
- ASSOCHAM 10<sup>th</sup> MSMEs Excellence Awards Mar 24-Best MSME Lending
- Raised fresh capital of ₹ 500 Crore via QIP2025
- Great Place to Work Certified (Jan 2024 - Jan 2025)

## 2025

- Net Profit for the FY25 crossed ₹ 3 Bn.



- Received FE CFO Awards 2025 under Small Enterprises, BFSI Segment
- MAS Rural Housing & Mortgage Finance (Subsidiary of MAS Financial) recognised by the National Housing Bank (NHB) for exemplary performance and outstanding contribution in the category of: Housing Finance to EWS, LIG & Informal Segment (Asset Size up to ₹1,000 Crore)



- Great Place to Work Certified for the third consecutive year (Jan 2025 - Jan 2026)



\* Milestones collated according to Calendar Year.



# LETTER FROM THE CHAIRMAN & MD



MAS has always believed in a conservative but efficient approach to capital – ensuring that every rupee deployed is backed by strong assets quality and return thresholds. This year, we continued to maintain a Return on Equity (ROE) above 14%



*Dear Shareholders,*

30 years...My heartfelt gratitude to all the stakeholders as we celebrated 30 years on 25<sup>th</sup> May 2025. What started in 1995 with Late Mukeshbhai by my side (ever missed..) with a humble AUM of ₹2 Crore is now poised for consistent growth for many decades. The credibility and confidence we have built over the years will remain the pillars of our journey ahead, which will witness large-scale growth on the strong foundation laid.

On behalf of Team MAS, I am pleased to present to you the Annual Report for the financial year 2024-25.

This has been a year of remarkable Progress – both in terms of performance metrics and in laying down the building blocks for sustainable growth. At MAS, we continue to be driven by our core vision: to deliver responsible, inclusive financial services to the underserved sections of society. We remain as committed today to this mission as we were when we began this journey nearly three decades ago.

FY2025 marked a new high in our growth trajectory. We achieved a consolidated Profit After Tax (PAT) of over ₹300 Crore and closed the year with Assets Under Management (AUM) of ₹12,868 Crore, recording a robust 20% year-on-year growth. Our consistent financial performance across economic cycles continues to validate our strategy of pursuing long-term value over short-term gains. What makes this performance even more meaningful is the quality and stability with which it was delivered – backed by strong underwriting, disciplined execution, and a prudent approach to capital deployment.

## CAPITAL EFFICIENCY AND BALANCE SHEET STRENGTH

We raised ₹500 Crore capital through QIP in June 2024 to augment the capital base and fuel next phase of growth of the company. The QIP was the first equity raise by the company since its IPO in the year 2017 and garnered a strong response from a diverse group of marquee institutional investors. This infusion significantly strengthened our balance sheet and gave us the headroom to pursue calibrated growth across business verticals. Our borrowing mix remained healthy and strategically aligned with our ALM profile, and we maintained a capital adequacy ratio of over 24%, positioning us well for the next phase of expansion. We will focus on further diversifying our borrowing mix gradually over the years.

MAS has always believed in a conservative but efficient approach to capital - ensuring that every rupee deployed is backed by strong assets quality and return thresholds. This year, we continued to maintain a Return on Equity (ROE) above 14% (FY2025 was first full year of operations with enhanced capital base) and Return on Assets (ROA) in the range of 3%, balancing quality of assets, profitability and growth.

## SEGMENT-WISE GROWTH WITH RISK AWARENESS

The MSME segment remained at the heart of our lending strategy and

constituted nearly 77% of our AUM as on 31<sup>st</sup> March 2025. Despite prevailing stress in certain pockets of the sector, particularly in unorganised supply chains, we stayed consistent in our support to these enterprises through well-structured, purpose-driven credit. We grew our MSME AUM by over 14% while maintaining stable asset quality, thanks to our stringent credit assessment framework and localised underwriting practices.

The wheels portfolio – which includes Two-Wheeler Loans and Commercial Vehicle Loans – delivered strong growth momentum, supported by distribution expansion and a sharper focus on customer segment targeting. Two-wheeler loans, in particular, showed encouraging trends in semi-urban and rural areas, benefiting from improved disposable income and a shift towards personal mobility.

Our Salaried Personal Loans segment, launched only in FY2023, scaled well this year with a near-doubling of AUM. This reflects both the latent demand in this space and our ability to quickly adapt and scale up new verticals without compromising on credit discipline.

Our housing finance subsidiary, MAS Rural Housing & Mortgage Finance Limited (MRHMFL), closed the year with strong growth of 25%+ in AUM and profitability, further diversifying our portfolio mix. The affordable housing finance opportunity in India remains vast, and MRHMFL will play an increasingly important role in our long-term strategy.

## TECHNOLOGY AND OPERATIONAL LEVERAGE

FY2025 was a significant year in terms of digital transformation. We implemented a new, BRE-enabled Loan Origination System across most product verticals. This has enabled faster turnaround times, improved credit decisioning, and better integration between our core lending engine and customer-facing platforms. Importantly, our in-house technology team continues to drive agility, allowing us to customise solutions based on partner needs, product category, or geography.

We view technology not merely as an enabler, but as a core part of our growth

strategy. Whether it is through process automation, advanced analytics, or mobile-first on-boarding, our objective is clear: to make credit delivery faster, smarter, and more inclusive – without losing the personal connect that MAS is known for.

## DISTRIBUTION EXPANSION WITH PURPOSE

We ended the year with 204 branches and coverage across more than 14,000 pin codes. Our diversified distribution model – balancing direct retail origination with partnerships through NBFCs and intermediaries – has proven to be both scalable and resilient.

We now have 200 strategic NBFC partners, and more than 600 intermediaries across our two-wheeler and commercial vehicle verticals. These partnerships are not just transactional – they are built on shared goals, mutual accountability, and an aligned vision to serve customers who are still outside the purview of formal finance.

## RISK AND GOVERNANCE

Our commitment to prudent risk management is unwavering. We follow a conservative provisioning policy, regularly stress-test our books, and maintain tight control over delinquencies. As of FY2025-end, our Net NPA stood at 1.62%, with robust risk management practices across product lines.

From a governance standpoint, we continue to follow best practices and maintain transparency in all our operations. Our Audit Committee and Board play an active role in overseeing compliance, risk, and long-term planning.

## HUMAN CAPITAL AND CULTURE

At MAS, we continue to invest in our people. We believe that a culture rooted in ownership, responsibility, and integrity is what enables sustainable success. This year, our employee strength crossed a milestone of 4,000 employees, and we continue to focus on upskilling, talent development, and performance-linked rewards.

The senior leadership team at MAS has an average association of more than a decade, and we take pride in the institutional knowledge, stability, and

agility that this brings to the business. The company is grateful to have a senior leadership team that has been with us for over a decade – true pillars of our organisation.

## VISION FOR THE FUTURE

As we look ahead to FY2026 and beyond, we do so with cautious optimism. While macroeconomic conditions remain fluid and certain sectors may face short-term pressure, the long-term India opportunity remains intact. Rising income levels, formalisation of credit, and supportive policy tailwinds will continue to drive demand for retail and enterprise credit.

Our medium-term aspiration is to grow our AUM by 20% to 25% resulting in doubling of it in every 3 to 3.5 years. More importantly, we aim to achieve this while maintaining asset quality, capital efficiency, and stakeholder trust. We will continue to invest in digital capabilities, and expand in select geographies where we see meaningful demand and long-term value.

## IN GRATITUDE

In closing, I would like to express my sincere gratitude to each of our stakeholders – customers, employees, investors, partners, regulators, and the Board – for your continued trust and support. FY2025 has been a testament to what MAS can achieve through discipline, foresight, and a collective sense of purpose.

We remain committed to creating long-term, inclusive value for all our stakeholders, and we look forward to your continued support in the journey ahead.

Team MAS remains committed to its mission of “Excellence through endeavours”, which we now reckon as **“PURPOSE LED PROGRESS DRIVEN”**.

Warm regards,



**Kamlesh C. Gandhi**  
Chairman & Managing Director  
MAS Financial Services Limited

## ■ ABOUT US

# INTRODUCING MAS FINANCIAL

MAS Financial Services Limited (MAS), incorporated in 1995, is an RBI-registered Non-Banking Financial Company (NBFC). Over the past three decades, we have been driven by a steadfast mission to financially empower underserved individuals and small businesses by providing timely and appropriate credit solutions.

At MAS, we cater primarily to the credit needs of lower- and middle-income households as well as micro, small, and medium enterprises (MSMEs), supporting both personal and business aspirations. Our diversified loan portfolio includes MSME Loans, Commercial Vehicle Loans, Two-Wheeler Loans, Used Car Loans, Salaried Personal Loans, and Housing Loans, among others.

In alignment with India's vision for inclusive financial growth, we focus on reaching borrowers across urban, semi-urban, and rural regions – particularly those engaged in the informal sector and often excluded from traditional lending due to limited credit history or documentation. To bridge this gap, we

have built robust credit assessment models supported by technology, enabling faster and more accurate evaluation of repayment capacity, while also improving turnaround time and customer experience.

Our growing footprint includes 204 branches in 13 states and union territories across key Indian states including Gujarat, Maharashtra, Rajasthan, Madhya Pradesh, Tamil Nadu, Karnataka, Telangana, Chhattisgarh, Delhi NCR, Punjab, Haryana, Uttarakhand, and Uttar Pradesh. Through over 14,500 consumer locations and a strong phygital model, we continue to expand doorstep delivery

of financial services across diverse geographies.

We also leverage a wide network of partnerships with NBFCs, MFIs, HFCs, and franchisees to extend our outreach into underserved regions and bottom-of-the-pyramid (BOP) segments. These partnerships, combined with our own distribution strength, enable us to scale with agility and ensure sustainable financial inclusion.

At MAS, we remain committed to delivering responsible credit, strengthening lives, and creating long-term value through our ethos of which we now reckon as **"PURPOSE LED PROGRESS DRIVEN"**.



## OUR VISION

**"To be one of the most efficient distributors of financial services and create value on a very large scale"**

At MAS, our vision is anchored in two fundamental aspirations:

- 1** To be one of the most efficient distributors of financial services
- 2** To create value at a truly large scale



## EFFICIENCY IN DISTRIBUTION

We envision MAS setting the gold standard in the distribution of financial services. Efficiency, to us, means achieving the highest possible productivity with optimal use of time, effort, and capital. This pursuit of efficiency is embedded in everything we do – from operations and technology to credit assessment and customer service. Our goal is not just to be efficient, but to continuously raise the bar, becoming a benchmark for the industry and a competitor to ourselves.

We believe that the future of financial services will be defined by how quickly and responsibly institutions can deliver credit to those who need it most. MAS is committed to being at the forefront of this evolution, building processes that are agile, scalable, and driven by innovation.





## VALUE CREATION AT SCALE

Creating value for all stakeholders is central to our identity. We are focussed on delivering meaningful impact across the financial ecosystem – customers, employees, investors, partners, and the communities we serve. Our efforts are concentrated on India's vast lower- and middle-income segments, encompassing both formal and informal sectors in urban, semi-urban, and rural geographies.

With a business model designed for inclusivity, a deep-rooted presence in underserved markets, and decades of experience, MAS is uniquely positioned to deliver sustainable growth and transform lives at scale. Our vision is to build an institution that doesn't just grow – but uplifts, empowers, and endures.



## OUR MISSION

"To constantly endeavour to attain excellence, and create a very wide financial distribution network and be a catalyst in providing the most efficient financial services which we term as financial inclusion"

### AT MAS, OUR MISSION IS SHAPED BY THREE ENDURING PRINCIPLES THAT GUIDE OUR JOURNEY AND DEFINE OUR IDENTITY:

#### 1. PURSUING EXCELLENCE THROUGH CONTINUOUS ENDEAVOUR

Excellence is not a destination but a way of life at MAS. We are committed to consistently raising our standards through disciplined effort, innovation, and integrity. Every step we take is a step forward in our ongoing pursuit of being better, faster, and more effective in serving our stakeholders. For us, excellence is a moving target – and we aim to stay ahead of it.

#### 2. EXPANDING THE POWER OF DISTRIBUTION

We believe that access is empowerment. Our business philosophy is rooted in the "Power of Distribution" – the ability to reach deeper, wider, and faster into the

heart of India. Our robust distribution network, spanning urban, semi-urban, and rural areas, is a cornerstone of our success. It enables us to deliver financial services where they are most needed, helping us fulfil our larger purpose of financial empowerment.

#### 3. DRIVING FINANCIAL INCLUSION WITH RESPONSIBILITY

As a responsible financial intermediary, we see ourselves as catalysts in bridging the gap between capital and communities. Through partnerships with banks, NBFCs, and HFCs – and supported by a tech-enabled model – we strive to make credit more inclusive, accessible, and efficient. Our mission is to transform financial inclusion from a policy vision into a ground reality.

## Our Beliefs

We are driven by the spirit of commitment and collaboration:



*"We have miles to go and promises to keep."*

*"Together we can, and we will."*

These words inspire us every day to stay true to our purpose – and to take everyone along on our journey of inclusive growth.

## PRODUCT BASKET

# OUR DIVERSIFIED PRODUCT PORTFOLIO – FINANCIAL ACCESS FOR ALL

At MAS, our wide range of financial products are designed to meet the evolving needs of underserved individuals and enterprises across India's diverse social and economic landscape. From micro-entrepreneurs seeking working capital to salaried professionals fulfilling personal aspirations, we offer inclusive, responsible, and scalable credit solutions.



### Micro-Enterprise Loans

Empowering small retailers, traders, local manufacturers, and service providers with timely access to credit for business growth.

#### AUM:

₹ 4,793.4 Crore  
as on 31<sup>st</sup> March, 2025

#### Tenure:

Up to 60 months

#### Target Customers:

Micro-enterprises engaged in trade and services

#### Loan Size:

Up to ₹ 10 Lakhs



### SME Loans

Supporting small and medium enterprises – including manufacturers, distributors, and service providers – with loans for working capital, equipment, or industrial property.

#### AUM:

₹ 4,502.4 Crore  
as on 31<sup>st</sup> March, 2025

#### Tenure:

Up to 180 months

#### Target Customers:

SMEs across various industries

#### Loan Size:

Up to ₹ 5 Crore



### Two-Wheeler Loans

Affordable mobility solutions for farmers, self-employed individuals, and salaried professionals in semi-urban and rural areas.

#### AUM:

₹ 785.2 Crore  
as on 31<sup>st</sup> March, 2025

#### Tenure:

Up to 36 months

#### Loan Size:

₹ 25,000 to  
₹ 1.5 Lakhs





## Commercial Vehicle Loans

Helping small road transporters, traders, and agriculturists acquire new or used commercial vehicles to boost logistics and mobility.

### AUM:

₹ 979.4 Crore  
as on 31<sup>st</sup> March, 2025

### Tenure:

Up to 60 months

### Loan Size:

₹ 1 Lakhs to  
₹ 15 Lakhs



## Salaried Personal Loans

Unsecured loans tailored for salaried individuals of approved companies to meet personal financial needs – ranging from education to medical expenses.

### AUM:

₹ 1,039.5 Crore  
as on 31<sup>st</sup> March, 2025

### Tenure:

Up to 60 months

### Loan Size:

Up to ₹ 10 Lakhs



## Housing Loans

(Offered through MAS Rural Housing & Mortgage Finance Ltd.)

Home financing solutions for lower and middle-income households – supporting home purchase, construction, renovation, and purchase of commercial properties.

### AUM:

₹ 768.1 Crore  
as of 31<sup>st</sup> March, 2025

### Loan Tenure:

Tenure up to 300 months for residential and 144 months for commercial loans

### Loan Size:

Up to ₹ 50 Lakhs (residential)  
Up to ₹ 1 Crore (commercial)

### Target Segment:

Salaried and self-employed individuals and developers (for construction of affordable housing project)

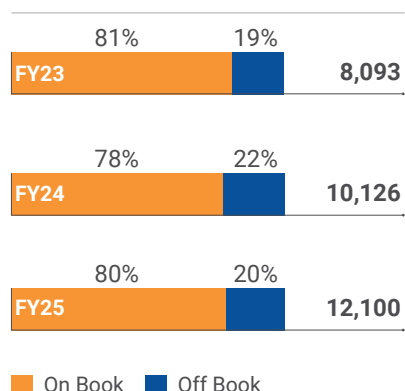
At MAS, we are committed to bridging credit gaps through responsible lending. With a focus on financial inclusion and an expanding footprint, we ensure that every customer – regardless of income level, geography, or background – can access credit that empowers and elevates.



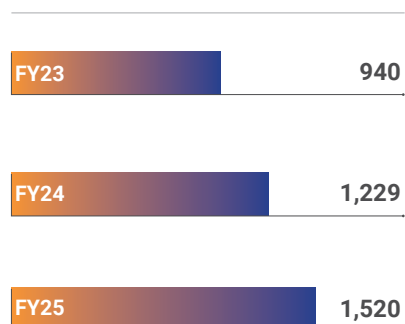
## KEY PERFORMANCE INDICATORS

# FINANCIAL PERFORMANCE HIGHLIGHTS (STANDALONE)

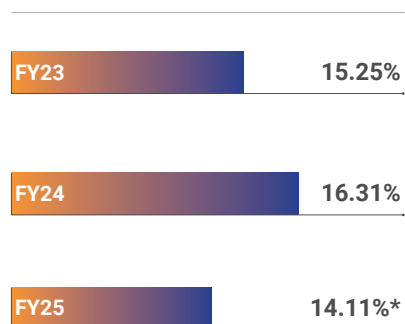
### AUM (₹ in Crore)



### Revenue (₹ in Crore)

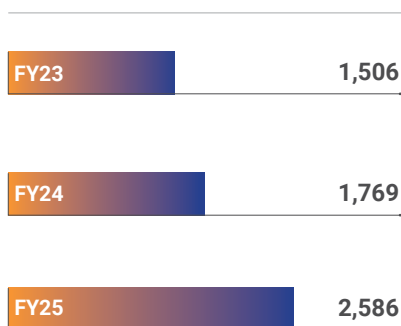


### Return on Net Worth

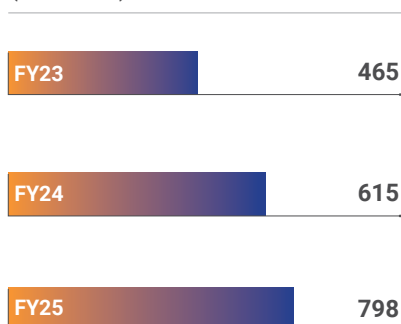


\* Includes QIP proceeds of ₹ 500 Crores raised in FY 2025

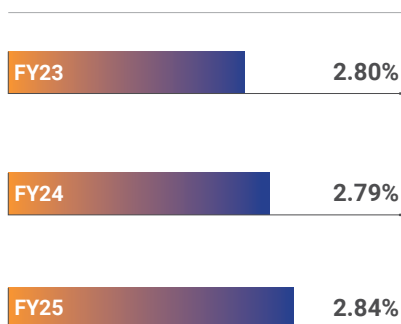
### Net Worth (₹ in Crore)



### Net Interest Income (₹ in Crore)

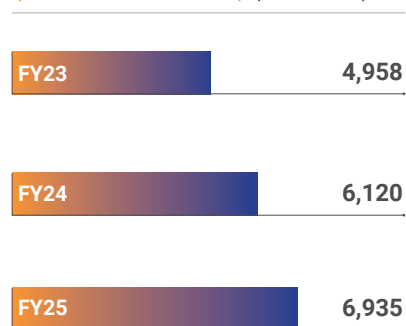


### Return on Average AUM

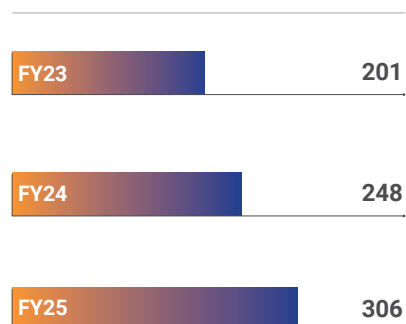


### Borrowings

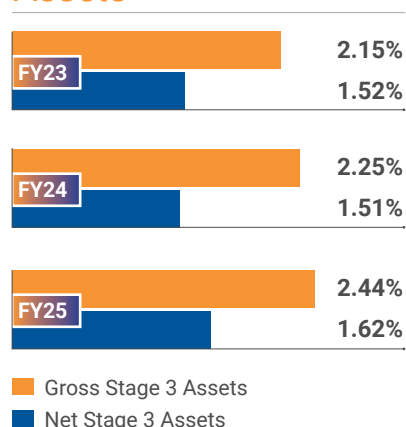
(excl. Debt Securities) (₹ in Crore)



### Profit After Tax (₹ in Crore)



### Gross & Net Stage 3 Assets



## TECHNOLOGY AT MAS

# ENABLING SCALABLE, INCLUSIVE, AND SMART LENDING

At MAS, we leverage technology as a strategic enabler that powers every stage of our lending lifecycle. From customer acquisition and credit underwriting to disbursement and collection, we have seamlessly integrated digital infrastructure to ensure faster, smarter, and more inclusive financial services.



We are proud to receive ISO/IEC 27001:2022 Certificate in FY2025 which is international standard for Information Security Management System (ISMS). The certificate reiterates that company's security management is aligned with best practices in the industry.



### End-to-End Digital Integration

MAS has collaborated with over 50 APIs to build a digitally robust and interoperable ecosystem. These integrations span:

- **Origination:** Centralised digital onboarding, OTP-based authentication, and seamless application management
- **Decisioning:** Pre-set rule engines for creditworthiness, eKYC, bureau checks, and income analysis through GST, tax, and banking data
- **Operations:** Paperless documentation via e-sign/e-stamp APIs and multi-channel customer engagement using WhatsApp, SMS, and email
- **Disbursement & Collection:** Fully cashless disbursements and repayments through platforms like ENACH, BillDesk, PayTM, and BharatPe



### Robust Infrastructure & Security

Our digital foundation is built on leading platforms:

- **Cloud Services:** Microsoft Azure
- **Security Layer:** SonicWall and Seqrite
- **Backup:** Veeam for data resilience

We also work with trusted API partners such as NSDL, CRIF, CIBIL, Probe42, Karza, Perfios, Aadhaar Bridge, and Digio to enable real-time data access and ensure regulatory compliance.



### Technology Landscape – A Lifecycle Approach

Our digital workflow encompasses:

- **Lead Creation** via digital platforms (website, social media, WhatsApp), integrated LOS, and sales lead tracking systems
- **Customer Onboarding** using eKYC, PAN-GST linkage, Udyam verification, ITR and banking data fetching, and consent APIs
- **Credit Assessment** through bureau checks, BRE-based policy logic, internal deduplication, and video PD
- **Pre-Disbursement** with e-agreements, ENACH setups, bank verification, and penny drop
- **Post-Disbursement Support** through CRM, call centres, digital collections, and WhatsApp-based interactions



### Tangible Outcomes

- Reduced Turnaround Time (TAT) in SME and housing loan segments
- Lower operating costs through automation
- Enhanced credit decisioning via authenticated data sourcing

With technology at the core of our operations, MAS is redefining the speed, reach, and reliability of inclusive lending. Our digital-first strategy empowers us to scale efficiently while serving the financially underserved with greater accuracy and transparency.

# ESG OVERVIEW



Last year, we secured ESG Rating of CareEdge-ESG 2 with an overall rating score of 61.4 by CareEdge ESG ratings (SEBI Registered ESG Rating Provider). The score is defined as strong position in managing ESG Risk through superior disclosures, policies, and performance.

[Click here to view detailed ESG Rating report: ESG Rating Report](#)



## Environmental Responsibility

### MINIMISING FOOTPRINT, MAXIMISING AWARENESS

We believe that environmental consciousness is integral to operational excellence.

MAS is dedicated to:

- **Optimising energy and water use** across all locations to reduce carbon and water footprints
- **Encouraging eco-conscious practices** among stakeholders and promoting the adoption of environmentally friendly products
- **Exploring renewable energy sources**, including solar installations in rural areas
- **Creating internal accountability**, with an ESG Committee established to oversee our environmental and sustainability initiatives

Our approach goes beyond compliance – it is about building a sustainable future through awareness, action, and adaptation.




## Social Responsibility

### EMPOWERING LIVES, ENRICHING COMMUNITIES

“Caring for communities is a way of life” at MAS. We actively engage in high-impact CSR programmes across education, health, hygiene, hunger alleviation, and social welfare.



MAS is dedicated to:

- **Shiksha Protsahan:** Supporting over 30 schools with scholarships and infrastructure
- **Menstrual Hygiene Programme:** Conducted by our female staff across villages to promote awareness and distribute sanitary products
- **Arogya Abhiyan:** Supporting elderly care and organising blood donation camps in collaboration with local authorities and NGOs
- **Honouring Heroes:** Donating medical equipment to military hospitals and supporting war widows
- **Hunger Relief:** Food distribution drives and mid-day meals in partnership with Akshaya Patra Foundation

Our CSR Committee, comprising an Executive Director and two Independent Directors, ensures robust oversight and impact-driven execution.









## People Responsibility

### EMPOWERED PEOPLE, ENDURING SUCCESS

At MAS Financials, our culture is rooted in the belief that “Success is a teamwork – Together, we can and we will.” As of March 31<sup>st</sup>, 2025, we have a consolidated workforce of 4000+ employees.

#### MAS is dedicated to:

1. **Commitment to excellence is driven by a highly skilled and diverse team.**
2. **Prioritise creating a supportive and positive work environment that fosters:**
  - Professional growth
  - Employee engagement
  - Long-term success
3. **Reflecting this commitment:**
  - Approximately, 35 core team members have been with the company since its inception
  - Over 460 employees have been part of the organisation for more than five years







## Governance Excellence

### TRANSPARENCY, COMPLIANCE, AND ETHICS

Strong governance is the bedrock of MAS' business conduct. We adhere strictly to the regulations of SEBI, RBI, and other statutory bodies, supported by:

- **A diverse and experienced Board**, with 7 Directors including 4 Independent and 2 Women Directors
- **Structured oversight** through committees such as Audit, Risk Management, Nomination & Remuneration, IT Strategy, and ESG
- **Stringent internal controls**, cybersecurity measures, and regular engagement with auditors to ensure integrity, compliance, and data security
- All governance policies are publicly disclosed on our website for stakeholder transparency

Our approach goes beyond compliance – it is about building a sustainable future through awareness, action, and adaptation.



### Looking Ahead

Our ESG journey is not a checklist – it is a continuous pursuit of purposeful progress. We are committed to aligning our business objectives with national and global sustainability goals, fostering responsible lending, and building an institution that grows not just in numbers but in impact.



**BOARD OF DIRECTORS****OUR VISIONARY LEADERS  
GUIDING THE WAY****MR. KAMLESH C. GANDHI***Founder, Chairman & Managing Director*

Mr. Kamlesh C. Gandhi is a proficient and experienced industry practitioner with a brilliant track record, which includes over two decades of managing and propelling the MAS Group's growth. He manages the Company with the guidance and support of the Board and his own understanding and vision are among the key enablers for the consistent performance of the Company. He is the member of Banking and Finance Taskforce of Gujarat Chambers of Commerce and Industry, Chairman of Gujarat Finance Company Association, Co-Chairman of FIDC, an industry body of NBFCs, Co-Chairman of ASSOCHAM MSME Development Council and a member of SME Chamber of India. He is also the Managing Trustee of Smt. Urmilaben Chimanlal Gandhi Foundation. The Foundation currently contributes towards the financial needs in health care and education.

Mrs. Darshana S. Pandya is responsible for leading the operations at MAS. She is also the driving force behind forging relationships between the Company and its partners which amount to over 200 NBFC-MFIs and NBFCs. After completing her graduation in Commerce, she joined the Company in 1996 as a junior executive. Through her hard work and determination to excel and with support from the management, she has risen to the level of Whole-Time Director & CEO.

**MRS. DARSHANA PANDYA***Whole-Time Director &  
Chief Executive Officer***MR. DHVANIL K. GANDHI***Whole-Time Director*

Mr. Dhvanil Gandhi holds the extensive experience of more than 10 years in the Company. He has been engaged in key roles alongside the core team of MAS. During his association, he has developed the SME lending vertical of the company through its branches across India and also involved in the insurance business, especially for the captive borrowers and the company has also applied for the insurance broking licence under his leadership to cater to larger spectrum of the customers thereby being catalyst in increasing the much-needed insurance penetration in the county. Mr. Dhvanil Gandhi holds a Bachelor's degree in business administration from prestigious Ahmedabad University – Ahmedabad. He has obtained postgraduate degree from a very renowned institute namely ISB (Indian School of Business – Hyderabad). During his curriculum, he has participated in programmes at Kellogg School of Management, Northwestern University – USA, and IE Business School at Madrid, Spain. He had also attended the summer training programme on Strategic Management at LSE – London School of Economics and a programme on Cross-Cultural Communication & Management at NUS – National University of Singapore.

## INDEPENDENT DIRECTORS



**UMESH R. SHAH**  
Independent Director

Mr. Umesh R. Shah is a qualified Chartered Accountant. He has over three decades of experience in diverse fields connected with Finance, Accounting, Auditing and Taxation. He also has 5 years of hands-on experience of working in an NBFC.



**MRS. DAKSHA  
NIRANJANA SHAH**  
Independent Director  
(Up to March 13, 2025)

Mrs. Daksha Niranjana Shah is a business graduate from Indian Institute of Management (IIM), Ahmedabad, where she specialised in Finance and Marketing; she is also a student of Economics and Statistics. She has rich experience of more than three decades in diversified fields of Textiles, Chemicals and Financial services. She has undergone various courses such as the course in Microfinance at the Economic Institute, Boulder, Colorado, USA.



**MR. VISHAL VASU**  
Independent Director

Mr. Vishal Vasu is a certified technology specialist on Microsoft platforms and carries a diploma of Management in E-Business. He is holding a rich experience and expertise in the field of IT Industry with a focus on Research & Development activities, innovative ecosystem, Information Technology function, architecture designs, software technology, and cybersecurity, fortifying project development and propelling business growth. He is having over 2 decades of expertise in systems engineering, software development, and information management. His accolades as a certified technology specialist on Microsoft

platforms and a certified Cybersecurity Expert attest to his unwavering commitment to excellence. He is currently associated with Dev Information Technology Limited and MINDEFFT Technologies Private Limited as a Director on the Board of the Companies. He is a frequent speaker, publication contributor and an avid blogger on information technology. His articles have been published in a variety of publications.



**MR. NARAYANAN  
SADANANDAN**  
Independent Director

Mr. Narayanan Sadanandan has vast experience of 4 decades in all facets of banking, expertise in Fund Management, Investment Banking, Correspondence & International Banking, Corporate, Commercial and Retail (including MSME) banking. He was an Advisor - Equity Capital Market, SBI Capital Markets Ltd and Ex MD & CEO - SBI Pension Funds Private Ltd. Currently, he is also a Director in Allied Blenders and Distillers Ltd, Infibeam Avenues Limited, Shree Maruti Integrated Logistics Limited, Prabha Energy Limited and a Senior Advisor in Modulus Alternative Investment Management Ltd.



**DR. BARNALI  
CHAKLADER**  
Independent Director  
(Since March 04, 2025)

Dr. Barnali Chaklader brings over 26 years of extensive experience in academia, serving as a core and visiting faculty at prestigious institutions such as the Institute of Management Technology (IMT) Ghaziabad, International Management Institute (IMI) New Delhi, IIM Lucknow, SP Jain Institute of Management (Singapore), Euromed Management University (France), and Kufstein University (Austria). She has actively contributed to academia by presenting research papers at various national and international conferences across multiple countries and her scholarly work has been published in esteemed journals as well. Beyond academia, Dr. Chaklader is a seasoned corporate trainer. She has been recognised for her contributions to education and research with several prestigious awards. Dr. Chaklader is a Fellow Member of the Institute of Cost Accountants of India and holds a Ph.D. from Bundelkhand University, Jhansi, along with a Bachelor's and Master's degree in Commerce from Delhi University. She also earned an MBA from Lalit Narayan Mishra Institute, Patna. Currently, she is a Professor of Finance and Accounting at IMT Ghaziabad.



# CORPORATE ADVISORY COMMITTEE

To further strengthen strategic oversight and enhance long-term value creation, MAS Financial Services Limited has constituted a Corporate Advisory Committee for the year 2024–2025. Comprising eminent and highly experienced professionals from diverse domains, the Committee will serve as a strategic think tank, offering guidance to the Board of Directors and the executive leadership team on critical business initiatives, regulatory developments, and emerging growth opportunities.

**THE COMMITTEE BRINGS TOGETHER THOUGHT LEADERS WITH DEEP EXPERTISE IN PUBLIC POLICY, BANKING, FINANCIAL SERVICES, AND REGULATORY AFFAIRS:**



**DR. RAJIV KUMAR**

Dr. Rajiv Kumar - Former Vice Chairman of NITI Aayog – Government of India’s apex think tank, with the rank of a cabinet minister. He is the Founding Director & current Chairman of Pahle India Foundation – a public policy think tank. He also served as an independent director on the Central Boards of the Reserve Bank of India and the State Bank of India.



**MR. T.T. SRINIVASARAGHAVAN**

Mr. T.T. Srinivasaraghavan is Chairman Emeritus of the Finance Industry Development Council (FIDC) and former Managing Director of Sundaram Finance Ltd. With over four decades of experience in the banking and financial services industry, he has actively contributed to industry development through his involvement with several trade associations and regulatory committees. He has served on numerous panels constituted by the Reserve Bank of India, including the Group of Advisors to the Regulations Review Authority, providing thought leadership on NBFC policy and reform.



**MR. U.S. PALIWAL**

Mr. U.S. Paliwal is currently Secretary General of the Coordination Committee on Agriculture (CCA) and CEO of the Association of Small Finance Banks of India. A veteran central banker, he previously served as Executive Director at the Reserve Bank of India and Director of the Bank of Mauritius. He has also served as Nominee Director on the Boards of three major public sector banks in India, adding deep regulatory and supervisory insight to the Advisory Committee’s deliberations.

The Corporate Advisory Committee reflects MAS’s commitment to institutional excellence and its ongoing efforts to align strategy with stakeholder expectations, emerging opportunities, and industry best practices.

# CORPORATE INFORMATION

## CORPORATE IDENTIFICATION NO.:

L65910GJ1995PLC026064

## REGISTERED OFFICE ADDRESS:

6, Ground Floor, Narayan Chambers,  
Behind Patang Hotel, Ashram Road,  
Ahmedabad – 380 009.

## LISTED ON STOCK EXCHANGE:

National Stock Exchange of India  
Limited (NSE) & BSE Limited  
(Bombay Stock Exchange)

## BOARD OF DIRECTORS:

**Mr. Kamlesh C. Gandhi**  
(Chairman & Managing Director)  
(DIN: 00044852)

**Mrs. Darshana Pandya**  
(Director & Chief Executive Officer)  
(DIN: 07610402)

**Mr. Dhvanil Gandhi**  
(Whole-time Director)  
(DIN: 10562922)

**Mr. Umesh Rajanikant Shah**  
(Non-Executive Independent Director)  
(DIN: 07685672)

**Mrs. Daksha Niranjani Shah**  
(up to March 13, 2025)  
(Non-Executive Independent Director)  
(DIN: 00376899)

**Mr. Narayanan Sadanandan**  
(Non-Executive Independent Director)  
(DIN: 07263104)

**Mr. Vishal Vasu**  
(Non-Executive Independent Director)  
(DIN: 02460597)

**Dr. Barnali Chaklader**  
(since March 04, 2025)  
(Non-Executive Independent Director)  
(DIN: 10970760)

## CHIEF FINANCIAL OFFICER:

**Mr. Ankit Jain**

## COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER:

**Ms. Riddhi Bhaveshbhai Bhayani**  
(Mem. No. A41206)

## STATUTORY AUDITORS:

M/s. Sorab S. Engineer & Co.  
Chartered Accountants  
Firm's Registration No. 110417W

## REGISTRAR & SHARE TRANSFER AGENT:

MUFG Intime India Private Limited  
(Formerly Link Intime India Private Limited)  
C-101, 1<sup>st</sup> Floor, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400 083,  
Maharashtra, India

## DEBENTURE TRUSTEE:

CATALYST TRUSTEESHIP LTD.  
Unit No. 901, 9<sup>th</sup> Floor,  
Tower-B, Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (W),  
Mumbai – 400013  
Contact No.: +91 22 4922 0555  
Email ID: ComplianceCTL-Mumbai@  
ctltrustee.com

## AUDIT COMMITTEE MEMBERS:

**Mr. Umesh Rajanikant Shah**  
(Chairman)

**Mrs. Darshana Pandya**  
(Member)

**Mr. Narayanan Sadanandan**  
(Member)

## STAKEHOLDERS RELATIONSHIP COMMITTEE MEMBERS:

**Mr. Narayanan Sadanandan**  
(Chairman)

**Mrs. Darshana Pandya**  
(Member)

**Mr. Umesh Rajanikant Shah**  
(Member)

## NOMINATION & REMUNERATION COMMITTEE MEMBERS:

**Mr. Umesh Shah**  
(Chairman)

**Mr. Narayanan Sadanandan**  
(Member)

**Mr. Vishal Vasu**  
(Member)

## CSR COMMITTEE MEMBERS:

**Mr. Narayanan Sadanandan**  
(Chairman)

**Mrs. Darshana Pandya**  
(Member)

**Mr. Umesh Shah**  
(Member)

## RISK MANAGEMENT COMMITTEE MEMBERS:

**Mr. Narayanan Sadanandan**  
(Chairman)

**Mrs. Darshana Pandya**  
(Member)

**Mr. Umesh Shah**  
(Member)

**Mr. Dhvanil Gandhi**  
(Member)

## LIST OF LENDERS

ADITYA BIRLA FINANCE LTD  
AXIS BANK LTD  
BAJAJ FINANCE LTD  
BANDHAN BANK LTD  
BANK OF BARODA  
BANK OF INDIA  
BANK OF MAHARASHTRA  
BARODA GUJARAT GRAMIN BANK  
CANARA BANK  
CAPITAL SMALL FINANCE BANK  
CITY UNION BANK  
CSB BANK  
DBS BANK  
DHANLAXMI BANK  
HDFC BANK LTD  
HERO FINCORP LTD  
ICICI BANK  
IDBI BANK LTD.  
IDFC FIRST BANK LTD  
INDIAN BANK  
INDIAN OVERSEAS BANK  
INDUSIND BANK LTD  
JANA SMALL FINANCE BANK  
KOTAK MAHINDRA BANK LTD  
MUDRA LTD  
NABKISAN FINANCE LTD  
NABSAMRUDDHI FINANCE LTD.  
NATIONAL BANK FOR AGRICULTURE AND  
RURAL DEVELOPMENT  
POONAWALA FINCORP LTD  
PUNJAB AND SIND BANK  
PUNJAB NATIONAL BANK  
QATAR NATIONAL BANK  
SHINHAN BANK  
SMALL INDUSTRIES DEVELOPMENT BANK  
OF INDIA  
SOUTH INDIAN BANK  
STANDARD CHARTERED BANK  
STATE BANK OF INDIA  
SUNDARAM FINANCE LIMITED  
TAMILNAD MERCANTILE BANK  
THE FEDERAL BANK LTD  
THE KARUR VYSYA BANK LTD  
UCO BANK  
UNION BANK OF INDIA  
UTKARSH SMALL FINANCE BANK  
WOORI BANK  
DCB BANK LIMITED



# NOTICE

**NOTICE** is hereby given that the Thirtieth (30<sup>th</sup>) Annual General Meeting (AGM) of the Members of MAS Financial Services Limited will be held at 11:30 A.M. on Wednesday, September 3, 2025 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following:

## ORDINARY BUSINESS:

1. To receive, consider and adopt audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on March 31, 2025 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Final Dividend of ₹ 0.70/- per Equity Share i.e. 7% on face value of ₹ 10/- each for the financial year ended on March 31, 2025.
3. To appoint a Director in place of Mr. Dhvanil Kamlesh Gandhi (DIN: 10562922), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

4. To approve the appointment of Secretarial Auditor of the Company and to fix their Remuneration.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ('SEBI Listing Regulations') and pursuant to the recommendations of the Audit Committee and subsequently approved by the Board of Directors, the consent of the members of the Company be and is hereby accorded for the appointment of M/s. Ashish Shah & Associates, Practising Company Secretaries, a peer reviewed firm (COP Number: 4178) as the Secretarial Auditor of the Company, to conduct Secretarial Audit of the Company and to furnish the Secretarial Audit Report, for a period of five (5) consecutive years, commencing from the Financial Year 2025- 2026 till Financial Year 2029-2030, at such remuneration including applicable taxes and out-of-pocket expenses, payable to them during their tenure as the Secretarial Auditors of the Company, as may be mutually agreed between the Board of Directors and the Secretarial Auditors from time-to-time."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to revise, alter and vary the terms and conditions of their appointment including their remuneration in such manner and to such extent as may be mutually agreed with the Secretarial Auditor and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. Approval for increasing the Borrowing Powers under Section 180(1)(c) of the Companies Act, 2013 upto ₹ 13,500 Crores.

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 the earlier resolution passed at the 27<sup>th</sup> Annual General Meeting of the members of the Company held on August 24, 2022, the consent of the members be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013, to the Board of Directors ("**Board**") (including any committee duly constituted by the Board or any authority as approved by the Board) to borrow from time to time such sums of money, in any currency and in such form/manner and upon such terms and conditions as may be deemed necessary and prudent by the Board for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding at any point of time may exceed the aggregate of the Company's paid-up share capital, free reserves (i.e., reserves not set apart for any specific purpose) and securities premium, provided that the total principal amount up to which monies may be borrowed by the Board and which shall remain outstanding at any given point of time shall not exceed the sum of ₹ 13,500,00,00,000 (Indian Rupees Thirteen Thousand and Five Hundred Crore).

**RESOLVED FURTHER THAT** the Board (including any committee duly constituted by the Board or any authority as approved by the Board) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

6. Approval for enhancing the limit for creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under section 180(1)(a) 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 the earlier resolution passed at the 27<sup>th</sup> Annual General Meeting of the members of the Company held on August 24, 2022 the consent of the members of the Company be and is hereby accorded to the Board of Directors ("Board") (including any committee duly constituted by the Board or any authority as approved by the Board) pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or amendments thereof) and rules made thereunder, to create charge/security interest, inter alia, by way of mortgage, pledge, hypothecation (in addition to any existing charge/security interest created/to be created by the Company), in such form and manner and with such ranking and on such terms as the Board (including any committee duly constituted by the Board or any authority as approved by the Board) deems fit in the interest of the Company, on all or any of the movable (both tangible and intangible) and/or immovable properties of the Company (both present and future) and/or any other assets or properties of the Company and/or the whole or part of any of the undertaking of the Company together with or without the power to take over the management of the business or any undertaking of the Company in case of certain events of defaults, in favour of banks, financial institutions, investors, debenture holders, state government(s)/agency(ies) representing various state governments and/or other agencies, etc., or any other lenders/persons and their agents or trustees (collectively, "Lenders") for securing the borrowing/

financial indebtedness availed or to be availed by the Company and/or any third party, inter alia, by way of loans, debentures (comprising fully/partly convertible debentures and/or secured/unsecured non-convertible debentures or any other securities) or otherwise, in foreign currency or in Indian Rupees from time to time (collectively, "**Financial Indebtedness**"), in such form and manner and on such terms as the Board may determine, subject to amounts of the Financial Indebtedness secured by the assets of the Company not exceeding the limits approved or as may be approved by the shareholders under Section 180(1)(c) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) along with interest, additional interest, accumulated interest, liquidated charges, commitment charges, and all other costs and expenses (including any increase as a result of devaluation/revaluation/fluctuation in the rate of exchange), and all other monies payable by the Company in terms of the financing documents, or any other documents, entered into or to be entered into between the Company and any Lender(s) in respect of the Financial Indebtedness and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board (including any committee duly constituted by the Board or any authority as approved by the Board) and the Lenders.

**RESOLVED FURTHER THAT** the Board (including any committee duly constituted by the Board or any authority as approved by the Board) be and is hereby authorized to finalize, settle, and execute such documents, deeds, writings, papers, and agreements as may be required and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to the aforementioned resolutions."

**Regd. Office:**

6, Ground Floor, Narayan Chambers,  
Behind Patang Hotel, Ashram Road,  
Ahmedabad – 380 009.

Place : Ahmedabad  
Date : July 23, 2025

By order of the Board

**Riddhi Bhayani**  
Company Secretary & Chief Compliance Officer  
(Mem. No. A41206)



## NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") read together with the rules made thereunder and other applicable provisions, if any, in respect of the business under Item No. 4, 5 & 6 of the Notice is annexed hereto and forms part of this Notice.
2. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022, General Circular No. 11/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 and Circular No. 9/2024 dated September 19, 2024 ("MCA Circulars") and other applicable circulars issued by the Securities and Exchange Board of India (SEBI) including Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, has permitted the Companies to conduct the Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till September 30, 2025. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Companies Act, 2013 (the 'Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations'), the 30<sup>th</sup> AGM of the Company shall be conducted through VC/OAVM (hereinafter called 'AGM'). Central Depository Services (India) Limited ("CDSL") will provide facility for voting through remote e-voting, participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note below and is also available on the website of the Company at [www.mas.co.in](http://www.mas.co.in).
3. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars dated September 19, 2024 and SEBI Circular dated October 3, 2024, Notice of 30<sup>th</sup> AGM along with the Annual Report for F.Y. 2024-2025 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice of the 30<sup>th</sup> AGM and Annual Report for F.Y. 2024-2025 will also be available on the Company's website at [www.mas.co.in](http://www.mas.co.in), website of the stock exchanges i.e., BSE Ltd. ('BSE') at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Ltd. ('NSE') at [www.nseindia.com](http://www.nseindia.com) and on the website of CDSL at <https://www.evotingindia.com/>. In this notice, the term member(s) or shareholder(s) are used interchangeably. Additionally, any member who desires to get a physical copy of Annual Report FY 2024-25, may request for the same by sending an email to the Company at [Riddhi\\_bhayani@mas.co.in](mailto:Riddhi_bhayani@mas.co.in) mentioning their Folio No./DP ID and Client ID.
4. The deemed venue for 30<sup>th</sup> AGM shall be the Registered Office of the Company at 6, Ground Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road, Ahmedabad – 380 009.
5. In terms of Section 152 of the Companies Act, 2013, Mr. Dhvanil Kamlesh Gandhi (DIN: 10562922, Whole-time director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment/appointment at this AGM is annexed.
6. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, August 28, 2025 to Wednesday, September 3, 2025 (both days inclusive).
7. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
8. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders with effect from April 01, 2020. Accordingly, the Company is required to deduct tax at source from dividend subject to the approval of payment of dividend to shareholders. For the prescribed rates for various categories, shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
9. Members are requested to note that, dividends if not encashed for a consecutive period of 7 (seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") Authority. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form IEPF-5 available on [www.mca.gov.in](http://www.mca.gov.in).

10. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company/RTA/Depository of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
11. In terms of section 124(5) of the Act, Final dividend amount for FY 2017-18 remaining unclaimed for a period of 7 years shall become due for transfer in August 2025 to the Investor Education and Protection Fund ('IEPF') established by the Central Government. Further, in terms of section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a consecutive period of 7 years, the corresponding shares shall also be transferred to the IEPF's demat account. Members who have not claimed dividends from FY 2017-18 onwards are requested to approach the Company/MUFG Intime India Private Limited (RTA) of the Company for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF's demat account. The details of the unclaimed/unpaid dividends and the underlying shares are also available at the Company's website [www.mas.co.in](http://www.mas.co.in).
12. To support the 'Green Initiative', the Company requests those Members who have not yet registered their e-mail address, to register the same directly with their DP, in case shares are held in electronic form and to the Company, in case shares are held in physical form. Further, members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
13. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [ashish@ravics.com](mailto:ashish@ravics.com) with a copy marked to [riddhi\\_bhayani@mas.co.in](mailto:riddhi_bhayani@mas.co.in).
14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and pursuant to above mentioned MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
15. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
16. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
17. Pursuant to MCA General Circular No. 09/2024 dated September 19, 2024, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
18. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before August 25, 2025 (upto 05:00 P.M.) through email on [riddhi\\_bhayani@mas.co.in](mailto:riddhi_bhayani@mas.co.in). The same will be replied by the Company suitably.
19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
20. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the



Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs.

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile number, PAN, registering of nomination, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records, which will help the Company and MUFG Intime to provide efficient and better services. Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participant(s).
22. SEBI has established a common Online Dispute Resolution Portal (ODR Portal) for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal: <https://smartodr.in/> login.

## THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Saturday, August 30, 2025 at 09:00 a.m. and ends on Tuesday, September 2, 2025 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, August 27, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of Shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>                               | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>  |
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>                               | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDEAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.  |



**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

| Login Type  | Helpdesk Details   |
|---|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000                  |

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first time user follow the steps given below:

| For Shareholders holding shares in Demat Form other than individual and Physical Form |  |
|---|--|
| PAN   | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul> |
| Dividend Bank Details OR Date of Birth (DOB)  | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>                  |

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (ix) Click on the EVSN: 250728016 for the MAS Financial Services Limited on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at his e-mail address [ashish@ravics.com](mailto:ashish@ravics.com) and to the Company at the email address viz; [riddhi\\_bhayani@mas.co.in](mailto:riddhi_bhayani@mas.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [riddhi\\_bhayani@mas.co.in](mailto:riddhi_bhayani@mas.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [riddhi\\_bhayani@mas.co.in](mailto:riddhi_bhayani@mas.co.in). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.



9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS'S WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [riddhi\\_bhayani@mas.co.in](mailto:riddhi_bhayani@mas.co.in).
2. For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

**Other Instructions:**

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting as well as e-voting during the AGM and make, not later than two working days from conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.mas.co.in](http://www.mas.co.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

## ANNEXURE TO THE NOTICE

### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts.

As required under Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4, 5 & 6 of the Notice.

#### Item No. 4 – Appointment of M/s. Ashish Shah & Associates, Practising Company Secretaries as the Secretarial Auditor of the Company and to fix their Remuneration:

Pursuant to the provisions of Section 204 and other applicable provisions of the Act, if any, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, every listed company is required to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in Practice. Further, pursuant to the amended provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and the appointment of such Secretarial Auditor shall be approved by the Members of the Company at the Annual General Meeting.

In view of the above, after evaluating and considering various factors such as industry experience, competence of the audit team efficiency in conduct of audit, independent assessment and in fulfilment of the eligibility criteria and qualification prescribed under the SEBI Listing Regulations and circulars, the Audit Committee and the Board of Directors of the Company at their respective meetings held on July 23, 2025 have approved and recommended to the Members of the Company, the appointment of M/s. Ashish Shah & Associates, Practising Company Secretaries, a peer reviewed firm (COP Number: 4178) and Peer Review Certificate No. S2001GJ041700 as Secretarial Auditor of the Company for a term of 5 (five) consecutive financial years commencing from Financial Year 2025-26 till financial Year 2029-30 to conduct Secretarial Audit of the Company.

In addition to issuing the Secretarial Audit Report, the Secretarial Auditor shall also issue to the Company (i) the Secretarial Compliance Report pursuant to Regulation 24A (2) of the Listing Regulations and (ii) any other certificates or reports which can be issued by the Secretarial Auditor under applicable laws.

The Company has received the consent & eligibility letter from M/s. Ashish Shah & Associates, Practising Company Secretaries for their appointment. They have confirmed that their appointment will be in accordance with Section 204 of Companies Act, 2015 read with SEBI (LODR) Regulations, 2015. They have further confirmed that they did not incur any of the disqualifications as specified under Regulation 24A of the Listing Regulations and that they have no conflict of interest. They have confirmed that there are no pending proceedings against the Firm and partners and no order has been passed against the Firm and partners by ICSI/SEBI/MCA/any other competent authority/Court, both in India or outside India, in past 5 years.

The remuneration proposed to be paid is reasonable and commensurate with their audit experience and hence, the same is recommended by the Audit Committee and the Board of Directors for approval of Members of the Company. Additional fees, if any for statutory certifications and other professional services will be determined separately by the management in consultation with the Secretarial Auditor, and will be subject to approval by the Board of Directors and/ or the Audit Committee. The Board of Directors may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditor.

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 Resolutions set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out in the Notice under Item No. 4 in relation to the appointment M/s. Ashish Shah & Associates, Practising Company Secretaries, a peer reviewed firm, as the Secretarial Auditors of the Company, for approval by the Members of the Company.

### DISCLOSURE UNDER REGULATION 36(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

|  |  |
|--|--|
| Proposed Secretarial audit fee payable to auditors | Upto 8,00,000/- (Rupees Eight Lakhs Only) plus applicable taxes and other out-of-pocket expenses in connection with the secretarial audit for Financial Year ending March 31, 2026, and for subsequent year(s) of their term, such fee as maybe mutually agreed between / determined by the Board of Directors in consultation with the Secretarial Auditor. The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fee as above and will be agreed between / determined by the Board of Directors in consultation with the Secretarial Auditor. |
| Terms of appointment                               | M/s. Ashish Shah & Associates, Practising Company Secretaries (COP No. 4178), will hold office from the conclusion of 30 <sup>th</sup> Annual General Meeting till the conclusion of 35 <sup>th</sup> Annual General Meeting to conduct Secretarial Audit of the Company for a period of 5 (Five) consecutive years commencing from Financial Year 2025-26 till Financial Year 2029-30.  |
| Material change in fee payable                     | Previously Secretarial Auditor – M/s. Ravi Kapoor and Associates, Practicing Company Secretaries were paid ₹ 7,00,000/- for conducting Secretarial Audit for the F.Y. 2024-25.<br>There is no material change in fee to be paid to the Secretarial Auditor proposed to be appointed through the ordinary resolution as set out at Item No. 4 of this Notice.   |



**Basis of recommendation and auditor credentials**

Basis of recommendations: The Audit Committee and the Board of Directors after taking into account the eligibility of the firm, qualification, experience, independent assessment & expertise of the Partners in providing Secretarial Audit related services, competency of the staff and Company's previous experience recommends the appointment of M/s. Ashish Shah & Associates, Practising Company Secretaries, a peer reviewed firm as the Secretarial Auditor of the Company including payment of audit fees to them.

**Auditor's Credentials:**

M/s. Ashish Shah & Associates is a leading firm of Company Secretaries registered with the Institute of Company Secretaries of India. Mr. Ashish Shah, having Certificate of Practice Number 4178 has rich and varied experience in Corporate Law matters. The firm is based in Ahmedabad.

The core competency of the firm lies under the Companies Act, 2013, SEBI Regulations, FEMA, NBFC and other allied Corporate Laws.

**Consent and Eligibility:**

M/s. Ashish Shah & Associates meets the eligibility criteria as enumerated under Regulation 24A of the SEBI (LODR) Regulations, 2015 and have provided their consent to act as the Secretarial Auditor of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under the Act, SEBI Listing Regulations and guidelines issued by the Institute of Company Secretaries of India.

**Item No.: 5 and 6.**

In terms of the provisions of Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013 read with applicable rules framed thereunder, the Board of Directors ("**Board**") of the Company cannot, except with the consent of the Company in a General Meeting, dispose of its property (including creation of charge on assets of the Company) and borrow moneys, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid-up share capital, free reserves (i.e., reserves not set apart for any specific purpose) and securities premium. At the 27<sup>th</sup> Annual General Meeting of the Company held on August 24, 2022, the shareholders had accorded consent to the Board for borrowing any sums of money outstanding at any point of time, not exceeding the sum of ₹ 10,000,00,00,000 (Indian Rupees Ten Thousand Crore). At the same Annual General Meeting of the Company, the shareholders had accorded consent to the Board for creation of charges etc. to secure aforesaid borrowings. Considering the Company's future growth plans and requirements of additional funds for operation, modernization, it is proposed to increase the above borrowing limits from the existing ₹ 10,000,00,00,000 (Indian Rupees Ten Thousand Crore) to an amount not exceeding at any time a limit of ₹ 13,500,00,00,000 (Indian Rupees Thirteen Thousand and Five Hundred Crore). The proposed borrowings by the Company, if required, is to be secured by charge/security interest, inter alia, by way of mortgage, pledge, hypothecation on all or any of the movable (both tangible and intangible) and/or immovable properties of the Company (both present and future) and/or any other

assets or properties of the Company and/or the whole or part of any of the undertaking of the Company in favour of any banks, financial institutions, investors, debenture holders, state government(s)/agency(ies) representing various state governments and/or other agencies, etc., or any other lenders/persons and their agents or trustees in such form, manner and ranking as may be determined by the Board of the Company from time to time, in consultation with the aforementioned lender(s). It is clarified that such security/charge may be regarded as disposal of Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

The resolutions contained in item no. 5 & 6 of the accompanying Notice, accordingly, seek members' approval for increasing the borrowing limits and disposal of the Company's undertaking(s) by creation of security/charge etc. thereon and for authorizing the Board (including any committee duly constituted by the Board or any authority as approved by the Board) to complete all the formalities in connection with the increase in the borrowing limits and creating charge/security on Company's properties, respectively.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolutions.

The Board recommends the special resolutions set forth in the Item Nos. 5 & 6 of the Notice for approval of the members.

**Regd. Office:**

6, Ground Floor, Narayan Chambers,  
Behind Patang Hotel, Ashram Road,  
Ahmedabad – 380 009.

Place : Ahmedabad  
Date : July 23, 2025

By order of the Board

**Riddhi Bhayani**  
Company Secretary & Chief Compliance Officer  
(Mem. No. A41206)

**ANNEXURE TO THE EXPLANATORY STATEMENT**

**INFORMATION AS REQUIRED UNDER REGULATION 36(3) SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND IN TERMS OF THE SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA CERTAIN ADDITIONAL DISCLOSURES IN RESPECT OF DIRECTORS BEING REAPPOINTED / APPOINTED:**

| Particulars  | Appointment  |
|--|--|
| Name of the Director   | Mr. Dhvanil K. Gandhi  |
| DIN  | 10562922   |
| Date of birth  | July 03, 1993  |
| Age  | 32 years   |
| Qualification  | He holds Bachelor's degrees in Business Administration from Ahmedabad University and a Postgraduate from ISB (Indian School of Business) – Hyderabad. He has attended programs at Kellogg School of Management, Northwestern University- USA and IE Business School at Madrid, Spain. He also attended the summer training programme on Strategic Management at LSE- London School of Economics and a program on Cross-Cultural Communication & Management at NUS -National University of Singapore.   |
| Experience (including expertise in specific functional area) / Brief Resume                        | Mr. Dhvanil Gandhi is associated with the Company since April 2014 and over the last decade he has gained deep insights and hands-on expertise in all the departments and various aspects of the business of the Company. Over the last decade, he has been engaged in key roles alongside the core team of the company and has gained hands-on experience in various aspects of the business. He has to his credit having developed the SME lending vertical of the company through its branches across India. He is also actively involved in the insurance business of the company especially for the captive borrowers and the company has also applied for the insurance broking license under his leadership to cater to larger spectrum of the customers thereby being catalyst in increasing the much needed insurance penetration in the county. He is enthusiastic about staying informed and up to date on various technological innovations in the industry, actively engaging with the team to introduce them to the company. He regularly engages with domestic and international investors and appraises them on the various developments and future growth prospects of the company. |
| Nature of his expertise in specific functional areas   | Finance & Management   |
| Terms and Conditions of Re-appointment   | N.A.   |
| Remuneration last drawn  | ₹ 58,05,524 p.a.   |
| Designation  | Whole-time Director  |
| Remuneration proposed to be paid   | As per existing terms and conditions   |
| Date of first appointment on the Board   | August 14, 2024  |
| Shareholding in the company  | 1,05,831 (0.065%) Equity Shares as on March 31, 2025   |
| Relationship with other Directors/ Manager and other Key Managerial Personnel of the Company       | He belongs to the promoter group and is Son of Mr. Kamlesh Gandhi – Promoter, Chairman & Managing Director of the Company.   |
| Number of Meetings of the Board attended during the year 2024-25                                   | 03 (three)   |
| Names of listed entities in which the person also holds the Directorships (excluding this Company) | Nil  |



| Particulars  | Appointment    |
|--|----------------|
| Names of listed entities in which the person also holds Membership of Committees of Board.* (excluding this company) | Nil            |
| Chairman / Directorship of other companies   | Nil            |
| Names of companies along with listed entities in which person has resigned in the past three years.                  | Not Applicable |

\*Committee includes Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee across all Listed Companies including this company.

**Regd. Office:**

6, Ground Floor, Narayan Chambers,  
Behind Patang Hotel, Ashram Road,  
Ahmedabad – 380 009.

By order of the Board

Place : Ahmedabad  
Date : July 23, 2025

**Riddhi Bhayani**  
Company Secretary & Chief Compliance Officer  
(Mem. No. A41206)

**Contact Details:**

|   |  |
|---|--|
| <b>Company</b>  | MAS Financial Services Limited<br>6, Narayan Chambers, Behind Patang Hotel, Ashram Road,<br>Ahmedabad – 380 009. CIN: L65910GJ1995PLC026064  |
| <b>Company Secretary &amp; Chief Compliance Officer</b> | Ms. Riddhi Bhaveshbhai Bhayani Email Id: <a href="mailto:riddhi_bhayani@mas.co.in">riddhi_bhayani@mas.co.in</a>  |
| <b>Registrar and Transfer</b>                           | MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) C-101, 1 <sup>st</sup> Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083 E-Mail Id: <a href="mailto:rnt.helpdesk@in.mpms.mufig.com">rnt.helpdesk@in.mpms.mufig.com</a> ; |
| <b>e-Voting Agency</b>                                  | Central Depository Services (India) Limited E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone : 022- 22723333 / 8588   |
| <b>Scrutinizer</b>                                      | Mr. Ashish Shah, Proprietor of M/s. Ashish Shah & Associates Practicing Company Secretaries E-Mail id: <a href="mailto:ashish@ravics.com">ashish@ravics.com</a>  |

# Directors' Report

To,  
The Members,  
**MAS FINANCIAL SERVICES LIMITED**  
Ahmedabad

Your Directors are proud to present the **Thirtieth (30<sup>th</sup>)** Annual Report of your Company, marking a significant milestone of 30 years of successful operations. This report is accompanied by the Audited Standalone and Consolidated Financial Statements for the year ended on March 31, 2025.

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

## FINANCIAL RESULTS:

(Amount in ₹ Crores)

| Particulars   | Standalone                                    |   | Consolidated                                  |   |
|---|---|---|---|---|
|   | Year Ended on<br>31 <sup>st</sup> March, 2025 | Year Ended on<br>31 <sup>st</sup> March, 2024 | Year Ended on<br>31 <sup>st</sup> March, 2025 | Year Ended on<br>31 <sup>st</sup> March, 2024 |
| Revenue from Operations   | 1517.19                                       | 1221.86                                       | 1595.97                                       | 1283.87                                       |
| Other Income  | 3.26  | 7.42  | 4.18  | 6.52  |
| <b>Total Income</b>   | <b>1520.45</b>                                | <b>1229.28</b>                                | <b>1600.15</b>                                | <b>1290.39</b>                                |
| <b>Total Expenditure</b>  | <b>1110.02</b>                                | <b>897.86</b>                                 | <b>1179.14</b>                                | <b>950.72</b>                                 |
| Profit Before Tax   | 410.43  | 331.42  | 421.01  | 339.67  |
| Provision for Taxation (Including Current tax, Deferred Tax & Income Tax of earlier Years)            | 104.50  | 83.67   | 107.03  | 85.66   |
| <b>Net Profit</b>   | <b>305.93</b>                                 | <b>247.75</b>                                 | <b>313.98</b>                                 | <b>254.01</b>                                 |
| Profit Brought Forward  | 845.91  | 674.61  | 850.75  | 679.63  |
| Net Profit after profit attributable to minority shareholders   | 0   | 0   | (3.60)  | (2.96)  |
| Item of other comprehensive income recognised directly in retained earnings - on defined benefit plan | (0.55)  | (0.39)  | (0.56)  | (0.38)  |
| Effect of changes in the Group's interest   | 0   | 0   | (1.12)  | (2.23)  |
| <b>Profit Available for Appropriation</b>   | <b>1,151.29</b>                               | <b>921.97</b>                                 | <b>1159.45</b>                                | <b>928.02</b>                                 |
| <b>APPROPRIATIONS:</b>  |   |   |   |   |
| Transfer to reserve u/s 45-IC of RBI Act, 1934  | (61.18)                                       | (49.55)                                       | (61.19)                                       | (49.55)                                       |
| Transfer to reserve u/s 29-C of NHB Act, 1987   | 0   | 0   | (1.67)  | (1.21)  |
| Final Dividend on equity shares   | (9.24)  | (10.11)                                       | (9.25)  | (10.11)                                       |
| Interim Dividend on Equity Shares   | (18.14)                                       | (16.40)                                       | (18.15)                                       | (16.40)                                       |
| Dividend distribution tax on Equity Shares  | 0   | 0   | 0   | 0   |
| <b>Surplus Balance carried to Balance Sheet</b>   | <b>1062.73</b>                                | <b>845.91</b>                                 | <b>1069.19</b>                                | <b>850.75</b>                                 |

## BUSINESS PERFORMANCE:

### In terms of consolidated basis:

The Group's revenue from operations for the financial year stood at ₹ 1595.97 Crores, higher by 24.31% over the previous year's revenue from operations of ₹ 1283.87 Crores. Net Profit (PAT) is ₹ 313.98 Crores which is higher by 23.61% over the previous year's PAT of ₹ 254.01 Crore. The Earnings per share is ₹ 17.48 (Previous year's ₹ 15.31).

### In terms of Standalone basis:

The Company's revenue from operations for the financial year stood at ₹ 1517.19 Crores, higher by 24.17% over the previous year's revenue from operations of ₹ 1221.86 Crores. Net Profit (PAT) is ₹ 305.93 Crores which is higher by 23.48%

over the previous year's PAT of ₹ 247.75 Crore. The Earnings per share is ₹ 17.23 (Previous year's ₹ 15.11)

## PROSPECTS AND DEVELOPMENTS:

India has emerged as one of the fastest growing economy in the world and it needs to continue this momentum and even accelerate further to reach a minimum threshold in terms of per capita income accompanied by large scale financial inclusion for a just and an equitable growth which is the development of the economy in its true sense.

The Company continues to recognise a vast market opportunity across all its product lines for efficient last mile credit delivery, particularly for NBFCs and other financial



institutions with strong growth ambitions. Our strategic approach on a multi-product and multi-locational strategy provides a distinct advantage in risk management and scalability. This allows us to cater effectively to a diverse customer base while minimising risks and maximising operational efficiency. The advent of digitisation, coupled with the Company's commitment to it, will serve as a strong catalyst for not only better operational efficiencies but also high quality customer services.

Our primary focus centers on serving the lower and middle-income segments, which are key drivers of the economy. By tailoring our products and services to meet their unique needs, we contribute to their financial well-being and empower them to achieve their goals. This customer-centric focus not only supports individual growth but also strengthens the overall economic landscape.

With our deep understanding of market dynamics, commitment to innovation, focus on the asset quality and customer-centricity, we are well-positioned within the industry. Our dedicated team of professionals consistently delivers exceptional value and builds long-term relationships with our clients.

Considering the immense market potential and our strategic pursuits, we are confident about the future prospects of the Company. We actively explore new opportunities, forge strategic alliances, and adapt to evolving market conditions to ensure sustainable growth and profitability.

In conclusion, the Company is poised to leverage the significant market demand for efficient last mile credit delivery. Our multi-product and multi-locational approach, coupled with our steadfast focus on the lower and middle-income segments, strengthens our industry position. By capitalising on these opportunities, we aim to drive growth, maximise value for stakeholders and make a significant contribution to the broader economy.

#### **SMALL AND MEDIUM ENTERPRISE LOAN:**

They are very rightly reckoned as the key drivers of the economy given their substantial contribution to employment generation, exports and the overall contribution to the GDP. The small and medium enterprises are in continuous need of funds to propel their growth. Currently there exists a huge credit gap creating opportunities on large scale to extend various types of financial facilities to the sector. Despite their importance, SMEs often face persistent challenges in accessing timely and adequate financing. This prevailing credit gap presents a substantial opportunity for financial institutions like ours to support and empower this critical sector.

As expected working capital loans to the SME continue to show lot of promise. We are continuously deepening our understanding in this segment and are committed to add value to all such small and medium enterprises by extending

the most efficient financial services. The increase in the digital foot prints of such enterprises facilitates objective assessment of their working capital needs, thereby increasing the possibilities of more credit flow to the sector. Aligned with our strategy of building a high-quality asset portfolio, we are confident in our ability to develop strong and performing assets within the SME segment. In our pursuit of focusing on creating quality assets and value to all our stakeholders we kept a strict vigil on extending credit to this sector. The same was warranted basis our assessment at the ground level. Our lending activities remain focused in our key operational geographies, which include Gujarat, Rajasthan, Madhya Pradesh, Maharashtra, Tamil Nadu, Karnataka, Telangana, Chhattisgarh, Punjab, Haryana, Delhi, and Uttarakhand. We remain dedicated to supporting SMEs through innovative and responsive financial services that not only meet their evolving needs but also contribute meaningfully to inclusive economic development.

#### **TWO WHEELER AND COMMERCIAL VEHICLE FINANCING:**

According to a recent CRISIL report, the vehicle financing market is projected to witness robust growth, with the total outstanding credit in the segment expected to grow at a healthy CAGR of 16%–18% during FY 2023 – FY 2027, potentially reaching a market size of over ₹ 21 Lakhs Crores.

In alignment with this positive industry outlook, we continue to strengthen our focus on Two-Wheeler and Commercial Vehicle financing. We launched our used car product recently and are in the process of building a suitable team gradually at our various area of operation. This helps us to further diversify our product offerings. Our approach remains centered on pursuing sustainable business models that ensure optimal returns on assets while maintaining a strong and resilient portfolio quality.

As we expand into new geographies within our existing distribution framework, we are confident in our ability to achieve our strategic growth and profitability goals. With the continued momentum in economic growth and rising demand for personal and commercial mobility, we expect the vehicle financing segment to play an increasingly significant role in our overall Assets Under Management (AUM) composition.

#### **SALARIED PERSONAL LOANS:**

Our focus on salaried personal loans aimed at addressing the short-term financial needs of individuals with stable income profiles. These loans are designed to offer quick and convenient access to credit for purposes such as medical emergencies, education, travel, or other personal requirements. With a streamlined approval process, minimal documentation, and competitive interest rates, we strive to provide a seamless borrowing experience. As we continue to enhance our credit assessment models and strengthen our digital capabilities, we are confident in scaling this segment while maintaining portfolio quality.

## HOUSING FINANCE:

India's housing finance market is one of the most promising segments within the financial services landscape. Valued at approximately ₹ 30 trillion, the sector is projected to grow at a robust CAGR of 13% during FY 2023 – FY 2026. This expansion is driven by factors such as rising disposable incomes, increasing urbanisation, improved housing affordability, and supportive government initiatives like PMAY and credit-linked subsidies. Notably, housing finance continues to be the dominant category within the country's secured loan portfolio.

MAS Rural Housing & Mortgage Finance Limited ("MRHMFL" or "the Subsidiary") continues to serve the middle and the lower income segments of the economy, particularly in the semi urban and rural areas, which are expected to be the key drivers of the sector in the coming decades. Full-fledged efforts are underway to execute operations efficiently, as per the detail planning. The subsidiary remains committed on responsible lending, with a well-planned and phased execution strategy that balances growth with effective risk management. Recognising the unique challenges in rural housing finance, particularly around property title verification and documentation, MRHMFL continues to adopt a cautious and diligent approach. Despite the presence of creditworthy customers, ensuring clear and legally valid title ownership remains a key operational hurdle. The Company is actively collaborating with local stakeholders, legal experts, and government authorities to streamline process and enhance transparency. The Company's rural initiative has started showing encouraging results. .

The Company has 91 branches Pan India as on March 31, 2025. It is worth mentioning that despite of credit worthy customer class, ascertaining the title of the property remains a challenging job. The Company is actively engaged with all the stakeholders to streamline the process and is assertive in getting the right set of documents. These branches allow the Company to efficiently serve diverse geographies while staying close to its target customer base. The rural housing initiative is also poised to begin delivering tangible results in the near future.

Driven by our commitment to financial inclusion and portfolio quality, we remain focused on building a resilient, scalable, and impactful housing finance business that adds lasting value to the communities we serve and contributes meaningfully to the Company's long-term growth. We continue to strive forward with confidence and dedication, aiming to create a high-quality portfolio and adding substantial value to the ecosystem in which we operate.

## WELL DIVERSIFIED DISTRIBUTION NETWORK:

The Company continues to strengthen its pan-India retail presence through a well-established and expanding distribution network, which forms the backbone of its customer outreach and service delivery strategy. As on March 31, 2025, the Company operates 204 branches across Gujarat, Maharashtra, Rajasthan, Madhya Pradesh,

Tamil Nadu, Karnataka, Punjab, Haryana, Uttarakhand, Chhattisgarh, Telangana, Uttar Pradesh and Delhi NCR. In alignment with its strategic expansion plans, the Company added 15 new branches during the financial year, comprising; 7 branches in Rajasthan, 2 branches in Madhya Pradesh, 2 branches in Telangana, 1 branch in Uttar Pradesh, 1 branch in Chhattisgarh, 1 branch in Haryana and 1 branch in Maharashtra. At the end of the year, the total branches were 204 and the Company served over 14,500 Customer locations. This deliberate, data-driven expansion aims to deepen penetration in high-potential markets and bring the Company's comprehensive suite of financial products closer to underserved and emerging customer segments.

Looking ahead, the Company remains committed to enhancing the productivity and efficiency of its distribution network. The focus is on optimising branch operations, expanding digital touchpoints, and building an integrated distribution model capable of supporting scale without compromising service quality.

With the guiding principle of "Extending Credit Where It Is Due," the Company aims to maximise the growth potential embedded across its 14,500+ customer locations. This will enable the creation of a sustainable, scalable, and profitable business model that contributes meaningfully to financial inclusion and long-term value creation.

## DISTRIBUTION BY PARTNERING WITH REGIONAL NBFCs AND NBFC-MFIS:

With over a decade of experience working alongside regional NBFCs and NBFC-MFIs, our conviction has only strengthened that financial inclusion in India critically depends on the efficient last-mile delivery of credit. Building and nurturing a robust value chain is essential to achieving this goal, and NBFCs, particularly those deeply rooted in their local regions, play a pivotal role in the ecosystem.

Our partnership model, which involves collaborating with regional NBFCs and NBFC-MFIs for the distribution of diverse financial products, while also extending lines of credit to them, remains a cornerstone of our business strategy. We firmly believe that organisations with strong local presence and understanding are uniquely positioned to deliver credit efficiently to underserved and remote segments of the population.

Beyond financial support, we leverage our two decades of domain expertise to empower our partners with operational guidance, robust risk management frameworks, and product knowledge. This holistic support model has enabled our partnerships to demonstrate resilience and maintain credibility, even during challenging periods such as the recent economic downturn.

We currently maintain strong, mutually beneficial relationships with over 200 regional NBFCs and NBFC-MFIs. The encouraging response and trust from our partners motivate us to further strengthen these alliances and expand



our reach, driving inclusive growth and creating sustainable value for all stakeholders involved.

## RESOURCES:

### HUMAN RESOURCE MANAGEMENT AT MAS:

Human Resource Management is integral to achieving the Company's strategic objectives. We firmly believe that our employees are the cornerstone of business growth, brand reputation, and customer satisfaction. To support this, the Company has developed a robust HR framework that fosters a high-performing, inclusive, and supportive work environment. The Company has established a robust Human Resources ('HR') system that nurtures a high performing, conducive and inclusive work culture. It is managed by the active involvement of the promoters along with strategic inputs from a well-diversified and competent board. It emphasises on the freedom to express views, competitive pay structure, performance-based reward system and growth opportunities and internal job opportunities, critical assignments within the organisation for career options for the employees. Our Human Resource (HR) approach is central to our commitment to fostering a supportive, inclusive, and high-performance workplace. In alignment with our goals, our HR strategies are designed to attract, develop, and retain top talent, while ensuring compliance, enhancing employee engagement, and supporting our Company's growth.

In an ever-evolving landscape driven by technology and digital advancements, your Company remains steadfast in its commitment to long-term personnel development, aiming for organisational excellence. The Company consistently strives to create avenues for professional growth and recognition, while also prioritising employee training. The training programs forms a core part of the Company's comprehensive skill development initiatives tailored for its workforce. During the year, several initiatives, such as performance management systems, Learning & Development system and Talent Management system were put in place for efficient and effective organisation.

The articulation and implementation of the Company's strategies are led by the core team along with Team MAS. Core team at MAS is a group of dedicated and competent team of personnel, associated with the company almost since its inception and have always extended unstinting support besides, having identified and aligned their career objective with the company.

The Company has a diverse consolidated workforce of 4,216 employees as on March 31, 2025. Moving forward, the Company remains steadfast in its commitment to fostering and developing the most suitable talent in order to effectively accomplish its business objectives. It is worthy to note that out of the total workforce of MAS group 460+ employees are with the organisation for more than five years.

Attracting, enabling, promoting and retaining talent have been the keystone of Human Resource functions at MAS. We trust with all the above qualities accompanied by the

determination to excel, this team forms a formidable second line of management at MAS.

In our unwavering commitment to developing a thriving and empowered workforce, the Company will continue to invest concerted efforts in strengthening and nurturing this invaluable human capital.

In recognition of our commitment to creating an exceptional work environment, MAS has been certified as a "Great Place to Work" for the period January 2025 to January 2026 by Great Place to Work®, the global authority on workplace culture. This recognition marks the same being achieved consecutively for three years.

### CAPITAL AND LIABILITY MANAGEMENT:

The journey of capital and liability management at our Company has been both humbling and inspiring. Over the years, we have garnered immense respect and trust from a broad spectrum of investors and lenders, a testament to the strong confidence the market places in our governance, business model, and growth prospects. This trust reinforces our commitment to our core philosophy of "Excellence through Endeavours", which continues to shape our strategic decisions and sharpen our focus on maximising shareholder value. As we look ahead, this steadfast dedication will serve as the cornerstone of our continued growth and success.

We are pleased to announce that in June 2024, the Company successfully raised ₹ 500 Crores through a Qualified Institutional Placement (QIP), attracting a marquee and diversified group of investors. The overwhelming response to this capital raise stands as a clear endorsement of the robustness and resilience of our business model, as well as the confidence the investment community places in our operational performance and long-term vision. This infusion of fresh equity capital, coupled with our strong internal accruals, significantly strengthened the Company's capital base, positioning us well to capitalise on emerging growth opportunities and sustain our expansion trajectory.

Our capital management framework remains centred on optimising the return on capital employed, while rigorously adhering to the prudential guidelines and regulatory requirements set by the Reserve Bank of India (RBI). This balanced approach ensures financial discipline, effective risk mitigation, and sustainable growth.

Over the years, the Company has cultivated and maintained strong relationships with a wide network of leading banks and financial institutions. These partnerships have enabled us to raise requisite funding with relative ease and flexibility, reflecting the high level of confidence our lenders place in our creditworthiness and business fundamentals. Looking ahead, we anticipate continued strong support from our existing consortium of banking partners and are actively exploring new credit lines with new financial institutions to further diversify and enhance our funding mix.

The ongoing trust and confidence shown by our bankers and financial partners underscore our reputation as a reliable and efficient provider of credit solutions. We express our heartfelt gratitude for the unwavering support, cooperation, and constructive engagement of our investors and consortium banks, whose collaboration remains instrumental to our sustained operational success and growth ambitions.

### CAPITAL ADEQUACY RATIO

As of March 31, 2025, the Company's Capital Adequacy Ratio (CAR) stood at a robust 24.72% of aggregate risk-weighted assets on the balance sheet, including the risk-adjusted value of off-balance-sheet exposures. This level significantly exceeds the regulatory minimum requirement of 15%, providing the Company with substantial capital buffer and ample headroom to support future fund-raising activities and sustain its expanding business operations with financial prudence and stability.

### ANNUAL RETURN AS PER SECTION 92 (3) OF COMPANIES ACT 2013

In pursuance to the provisions of Section 92(3) of the Companies Act, 2013 read with Rules made thereunder and amended time to time, the Annual Return of the Company for the Financial Year ended on March 31, 2025 is available on the website of the company i.e. [www.mas.co.in](http://www.mas.co.in) and the web link of the same is <https://mas.co.in/annual-return.aspx>.

### BOARD MEETINGS HELD DURING THE YEAR:

The Company held 07 (Seven) Board Meetings during the financial year under review.

| Sr. No. | Date on which Board Meetings were held | Total Strength of the Board | No. of Directors Present |
|---------|--|-----------------------------|--------------------------|
| 1       | April 24, 2024                         | 5                           | 5                        |
| 2       | June 05, 2024                          | 6                           | 5                        |
| 3       | July 24, 2024                          | 6                           | 6                        |
| 4       | August 14, 2024                        | 6                           | 6                        |
| 5       | October 23, 2024                       | 7                           | 7                        |
| 6       | January 29, 2025                       | 7                           | 6                        |
| 7       | March 04, 2025                         | 7                           | 7                        |

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability would like to state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- they had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;

- they had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they had prepared annual accounts on a going concern basis;
- they had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively;
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were in place were adequate and operating effectively.

### COMPANY'S POLICY RELATING TO DIRECTOR'S APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished as attached to this report. "Annexure – A". The weblink for the policy is <https://mas.co.in/policy.aspx>.

### AUDITORS:

#### Statutory Auditors:

At the 29<sup>th</sup> Annual General Meeting held on September 11, 2024, the members had appointed M/s. Sorab S. Engineer & Co., Chartered Accountants (Firm's Registration No: 110417W), Ahmedabad as Statutory Auditors for a term of three years beginning from the conclusion of the 29<sup>th</sup> AGM till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company.

#### Secretarial Auditors:

In the Board Meeting held on August 14, 2024, M/s. Ravi Kapoor & Associates, Practising Company Secretaries were appointed as Secretarial Auditor of the Company for the financial year 2024-25.

Further, in compliance with Regulation 24A of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 204 of the Companies Act, 2013, the Audit Committee and the Board of Directors at their meeting held on July 23, 2025 respectively have approved and recommended the appointment of M/s. Ashish Shah & Associates, Practising Company Secretaries, a peer reviewed firm (COP Number: 4178) as Secretarial Auditors of the Company for a term of 5 (five) consecutive years commencing from Financial Year 2025- 2026 till Financial Year 2029-2030, subject to the approval of the Members at the ensuing Annual General Meeting of the Company.

## SECRETARIAL AUDIT REPORT:

In pursuance to the provisions of Section 204 of the Companies Act, 2013 read with Rules framed thereunder and in compliance of Regulation 24A of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") M/s. Ravi Kapoor and Associates, Practising Company Secretaries, had conducted secretarial audit of the Company for the financial year 2024-25. The Secretarial Audit Report for the financial year ended March 31, 2025, is annexed which is forming part to this report as "**Annexure – B**".

During the year under review, your Company has complied with the provision of applicable Acts, Rules, Regulations, Guidelines and applicable Secretarial Standards issued by the Institute of Company Secretaries of India, etc. except in respect of the matters as mentioned below.

## EXPLANATIONS OR COMMENTS BY BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:

### (i) By the Statutory Auditors in his report;

There is no qualification, reservation or adverse remark raised by Statutory Auditor in Auditor's report for the year under review.

### (ii) By the Company Secretary in Practice in his Secretarial Audit Report;

In response observation made in the Secretarial Audit Report for the financial year 2024-25 by the Secretarial Auditors, your Directors hereby submits that-

- The Reserve Bank of India (RBI) has instructed to pay compensation of ₹ 15,600/- to the customer for non updation of CIBIL records within due timelines.

#### Board's Response:

A customer lodged a complaint with the Reserve Bank of India (RBI) regarding the updation of his CIBIL report. The customer claimed that a loan of ₹ 20,000 taken from the Company in the year 2009 was incorrectly reflected in his CIBIL report, asserting that he had never availed such a loan from the Company. However, upon review, the Company's records confirmed that the loan was indeed disbursed to the customer in his Bank Account.

The Company promptly submitted all necessary clarifications and supporting documentation to the RBI for their investigation to substantiate its claim. The RBI directed the Company to compensate the customer at a rate of ₹ 100 per day, amounting to a total of ₹ 15,600, for the delay in updating the CIBIL report.

In compliance with RBI's directive, the Company duly paid the compensation to the customer, reaffirming its commitment to regulatory adherence and customer grievance resolution.

- The fine of ₹ 88,000/- + GST (₹ 2,000/- per day per ISIN) imposed by BSE Limited in the violation of Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015) - Non-submission of information related to payment obligation.

#### Board's Response:

The Company had paid interest on February 20, 2024 and updated on Exchange and NSDL Portal. However, the same was not visible on the site of the exchange due to some technical glitch & acknowledgment was not generated. The Company had shared the copy of filed with exchange duly digitally signed on the due date mentioning time & date of submission. As guided by the exchange the Company had resubmitted documents on the current date, and applied for the waiver by submitting all the proof of submission. The application is under process and is due to be considered in ensuing waiver committee meeting.

- The fine of ₹ 1,15,000/- + GST (₹ 5,000 per day + GST) imposed by BSE Limited and National Stock Exchange of India Limited in the violation of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015) - Non-compliance with the requirements pertaining to the composition of the Board

#### Board's Response:

As an NBFC, our Company is committed to maintaining high governance standards and fulfilling all regulatory obligations. As advised in the guidelines issued by the Reserve Bank of India the Company had to appoint the Director having strong Information Technology background. We were actively engaged in the process of appointing suitable candidates to fill the vacancies on our Board. The search was aimed at ensuring that we select individuals who possess the requisite skills, experience, and alignment with our company's vision and values. Due to the complexity of identifying and vetting qualified candidates, we experienced unforeseen delays in the appointment process. We believe that taking the necessary time to appoint the right individuals is crucial to the long-term success and governance of our Company. This commitment, while leading to temporary non-compliance, is intended to strengthen our Board's effectiveness in the future. In light of the above circumstances, the Company had applied for the waiver by submitting all the proof of submission. The application is under process and is due to be considered in ensuing waiver committee meeting.

## FRAUDS REPORTED BY THE AUDITOR

During the year under review, no frauds have been reported by the Auditor (Statutory Auditor, Secretarial Auditor) to the Audit Committee / Board, under Section 143(12) of the Companies Act, 2013.



### A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

The Company has received declarations from Mr. Umesh Shah, Mrs. Daksha Shah, Mr. Narayanan Sadanandan, Mr. Vishal Vasu and Dr. Barnali Chaklader, Independent Directors of the Company that they meet with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013 read with Rule 6 (1) and (3) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time and Regulation 16 & 25 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

All Independent Directors of your Company are registered with Indian Institute of Corporate Affairs as per the requirement of Section 149 of the Companies Act, 2013 and rules framed thereunder.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, paid to them for the purpose of attending meetings of the Board / Committee of the Company.

### MATTERS AS PRESCRIBED UNDER SUB-SECTIONS (1) AND (3) OF SECTION 178 OF THE COMPANIES ACT, 2013:

The Company constituted its Nomination Committee on December 23, 2010 and the nomenclature of the Nomination committee was changed to "Nomination and Remuneration Committee" on March 20, 2015 pursuant to Section 178 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, by way of resolution passed in accordance with, provisions of the Companies Act, 2013. The Nomination & Remuneration Committee consists of three Independent Directors. The powers and function of the Nomination and Remuneration Committee is stated in the Nomination and Remuneration Committee Charter of MAS Financial Services Limited. The Remuneration policy is available at the Web link <https://www.mas.co.in/policy.aspx>

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The loan made, guarantee given or security provided in the ordinary course of business by a NBFC registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As the Company being a NBFC registered with RBI the restrictions contained in the said provisions are not applicable to the Company.

During the year under review the Company has invested surplus funds in various securities in the ordinary course of business. For details of the investments of the Company refer to Note No. 9 of the financial statements.

### PARTICULARS CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

All Contracts / Arrangements / Transactions executed by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. The Audit Committee reviews all Related Party Transaction on quarterly basis. Particulars of such related party transactions described in Form AOC-2 as required under Section 134 (3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules 2014, which is annexed herewith as "Annexure - C".

The related party disclosures as specified under Para A of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 is forming part in Notes to Financial Statements.

The board has approved a policy for related party transactions which has been hosted on the website of the Company. The web-link for the same is <https://www.mas.co.in/policy.aspx>. The related party transactions, wherever necessary are carried out by company as per this policy. There were no materially significant related party transactions entered into by the company during the year, which may have potential conflict with the interest of the company at large. There were no pecuniary relationship or transactions entered into by any Independent Directors with the company during the year under review.

### AMOUNT, IF ANY, WHICH THE BOARD PROPOSES TO CARRY TO ANY RESERVES:

During the year under review ₹ 61.18 Crores were transferred to statutory reserve under Section 45 IC of RBI Act, 1934.

### DIVIDEND:

The Company had paid an Interim Dividend of ₹ 1/- (Rupees One only) per share on 18,14,53,377 Equity Shares of ₹ 10/- fully paid up (10%) aggregating to ₹ 18,14,53,377/- (Rupees Eighteen Crores Fourteen Lakh Fifty Three Thousand Three Hundred Seventy Seven), during the financial year 2024-25. The same was declared by Board of Directors in their meeting held on January 29, 2025. The said dividend was paid on February 12, 2025.

Your Directors are pleased to recommend a Final Dividend of ₹ 0.70/- (Rupees Zero decimal Seventy Paise Only) per Equity Share on 18,14,53,377 Equity Shares of ₹ 10/- fully paid up (7%) aggregating to ₹ 12,70,17,363.9/- (Rupees Twelve Crore Seventy Lakh Seventeen Thousand Three Hundred Sixty Three and Nine Paise Only) for the Financial year 2024-25, subject to the approval of members in the ensuing Annual General Meeting of the Company. The payment of Final Dividend shall be paid to those members whose names appears in the Register of Members of the Company or in the records of depositories as beneficial owners of Equity Shares as on Wednesday, August 27, 2025 being the record

date fixed by the Board to identify the shareholders to whom final dividend to be paid by the Company for the financial year 2024-25. The payment of final dividend will be subject to deduction of tax at source as per the applicable rate.

The dividend recommended is in accordance with the criteria as set out in the Dividend Distribution Policy which has been approved by the Board of Directors. Pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the policy is forming part to the report as “Annexure - D”. The weblink for the same is <https://www.mas.co.in/policy.aspx>.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments that would affect financial position of the Company from the end of the financial year of the Company to which the financial statements relate and the date of the directors report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

- **Conservation of Energy and Technology Absorption:**  
Since the Company is operating in service sector, the provisions of Section 134(3)(m) of the Companies Act, 2013 regarding conservation of energy and Technology Absorption are not applicable.
- **Foreign Exchange earnings and outgo**  
The Company has no Foreign Exchange earnings and outgo.

### **RISK MANAGEMENT**

Financing activity is the business of management of risks, which in turn is the function of the appropriate credit models and the robust systems and operations. Your Company continues to focus on the above two maxims, and is always eager to improve upon the same.

Your Company continues to give prime importance to the function of receivables management, as it considers this the ultimate reflection of the correctness of marketing strategy as well as appraisal techniques. The Net stage 3 of the Company is 1.62% of Asset under Management as on March 31, 2025.

Pursuant to Regulation 21(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the regulations of Risk management committee is applicable to top 1000 listed entities determined on the basis of market capitalisation, as at the end of the immediate previous financial year. The Board of Directors has thus adopted a risk management policy for the Company which provides identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies

and controls risks through a properly defined framework in terms of the aforesaid policy. The web-link for the same is <https://mas.co.in/policy.aspx>

The Company has in place a Risk Management Policy and introduced several measures to strengthen the internal controls systems and processes to drive a common integrated view of risks, optimal and mitigation responses. This integration is enabled through a dedicated team and Risk Management, Internal Control and Internal Audit systems and processes.

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

Our commitment to Corporate Social Responsibility (CSR) reflects our dedication to creating a positive impact on society and the environment. During the year, we have continued to strengthen our CSR efforts, focusing on key areas that align with our values and support our community, environmental sustainability, and ethical business practices.

Your Company remains steadfast in its commitment to responsibly address the evolving needs of the communities in which it operates, recognising the importance of giving back to society proportionate to its business success. Throughout the year, your Company has diligently pursued various initiatives in alignment with its CSR policy, focusing on the areas of Health, Welfare, and Education, thereby contributing to the betterment of society at large.

As a responsible corporate entity, we believe in leveraging our resources to support the community, particularly during challenging times. We are committed to utilizing our resources and capabilities to positively impact the communities we serve—particularly during times of adversity. Our engagement with communities is rooted in compassion, inclusivity, and a long-term vision for sustainable development. Through a range of targeted programs and initiatives, we aim to address critical social issues and contribute meaningfully to the well-being of underserved populations. Following are few programs and initiatives we undertook during the year:

“MAS Arogya Abhiyan” by providing vital medical support to underprivileged and needy populations, demonstrating our dedication to health and humanitarian care.

“MAS Shiksha Protsahan” believing in the power of education and support to transform lives, especially for children in underprivileged communities. This initiative not only supports academic growth but also nurtures self-confidence and long-term opportunity for youth.

Education is widely regarded as a stepping stone for elevating the quality of life, particularly for underprivileged individuals. Recognising this, the Company has identified bright students who aspire to pursue higher studies but face financial constraints. We have extended financial support to help them to achieve their dreams. In our commitment to societal development, addressing the root causes and

striving for 100% literacy rate, the Company actively invests in the education of these students. Apart from sponsoring their fees, we provide school bags, stationery, uniforms, sweaters, school shoes, and other necessary provisions, relieving parents and students from the burden of additional costs and enabling them to concentrate on their studies. The Company's management team proactively engages with schools located on the outskirts of Ahmedabad and Gandhinagar to assess the infrastructure provided to students and explore opportunities for further support. Many schools were found to lack basic amenities such as fans, lights, and tables, while students were exposed to scorching heat while having meals provided by the government. Consequently, infrastructure-related projects were prioritised, with the Company stepping in to provide essential facilities like fans, lights, benches, computers, construction of play area including swings and most importantly, constructing sheds to shield students from heat-related illnesses. The "MAS Shiksha Protsahan" initiative embodies the ideology of transforming lives through the continuous generation of knowledge and empowerment. Accordingly, the Company has allocated funds in accordance with its policy and prescribed CSR guidelines.

"MAS Menstrual Hygiene Programme" (Promoting Sanitation in Rural Areas): This program is dedicated to improving awareness, access and acceptance of menstrual hygiene practices in rural communities. We work closely with local stakeholders to conduct awareness campaigns, distribute sanitary products, and promote hygienic practices among adolescent girls and women. By tackling taboos and supporting informed choices, this program helps ensure dignity, health, and empowerment for rural women.

Menstrual hygiene in rural areas is a significant issue that affects the well-being and empowerment of women and girls. Menstrual hygiene is of paramount importance in rural areas, where access to resource like sanitation facilities, clean water, and affordable menstrual products is limited or absent. This lack of resources and infrastructure poses numerous challenges and can have negative consequences for women and girls during their menstrual cycles. In order to address this problem, the Company has distributed sanitary napkins to females in nearby villages, ensuring their well-being and promoting proper hygiene practices. The Company also conducted workshops and awareness sessions on menstrual hygiene management, aiming to educate women and girls about proper menstrual care and health practices.

Honoring the Sacrifice of Our Heroes – Support for Armed Forces Veterans, War Widows, and Their Families – As part of our commitment to honoring national service and valor, the Company has extended heartfelt support to the families of martyrs during our Independence Day commemorations.

Ensuring Food Security – Distribution of Food Grains - Recognizing the pressing issue of food insecurity among economically vulnerable populations, the Company has undertaken a food grain distribution initiative in the surrounding areas of Ahmedabad. This initiative is part of our broader commitment to corporate social responsibility,

focusing on addressing basic human needs and supporting sustainable community development.

As part of its robust Corporate Social Responsibility (CSR) initiatives, your Company recognised the challenges faced by a significant section of the population across the country in meeting their basic food requirements. In response, the Company took proactive measures by organising a food distribution drive in Gujarat, wherein raw food packets comprising essential grocery items were provided to villages in need. This CSR endeavor was specifically designed to alleviate the hardships faced by vulnerable individuals and extend support to those tirelessly working on the ground with limited resources. By addressing the pressing issue of food scarcity, the Company demonstrated its commitment to social welfare and contributed to the well-being of communities in need. We recognise the importance of supporting not only people but also animals that play a vital role in agricultural communities. During the year, our CSR initiative has focused on providing essential food supplies to cows and cattle, ensuring their well-being and supporting local farmers who rely on these animals for their livelihood.

One of the distinguishing aspects of our CSR approach is that all activities, including this food grain distribution initiative, are carried out directly by the Company rather than merely transferring funds to third-party NGOs or external agencies. The Company has established a dedicated CSR department staffed with committed professionals who personally plan, implement, monitor, and complete these programs on the ground.

While this direct involvement requires significant time and resource investment, it ensures greater transparency, accountability, and effectiveness in delivering impact. By eliminating intermediaries, the Company can closely oversee the execution of projects, promptly address challenges, and adapt interventions to local needs. This hands-on approach strengthens our connection with the communities we serve and maximizes the benefits derived from every CSR rupee spent. Our CSR team conducts thorough needs assessments, coordinates logistics, and maintains regular communication with beneficiaries, ensuring that the initiatives are impactful and sustainable.

Looking ahead, your Company is committed to increasing its CSR impact and expenditure in the coming years, with a continued focus on rural development, health promotion, and sanitation. In line with this commitment, the Company has identified various long-term projects aimed at promoting education, sanitation, health, and welfare, striving to enhance overall well-being and elevate the quality of life for all.

The CSR Report for the Financial Year 2024-2025 is annexed to this report as Annexure-E. The composition of CSR Committee and the details of the ongoing CSR projects/programs/activities are included in the CSR report/section. The CSR Policy is uploaded on the Company's website at the web link: <https://www.mas.co.in/policy.aspx>.



## FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES OF THE BOARD AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of 134(3)(p) the Companies Act, 2013 and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually including Independent Directors as well as the evaluation of the working of its Committees. The evaluation was carried on the basis of structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, level of engagement and participation, Board culture, execution and performance of specific duties, obligations and governance. The Board has expressed their satisfaction with the evaluation process.

In pursuant to Regulation 17(10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of Independent Directors were done by the entire board of directors which includes –

- (a) Performance of the directors; and
- (b) Fulfillment of the independence criteria as specified in the regulations and their independence from the management.

### Criteria adopted for evaluation:

The Board shall evaluate the roles, functions, duties of Independent Directors (ID's) of the Company. Each ID shall be evaluated by all other directors' not by the Director being evaluated. The board shall also review the manner in which ID's follow guidelines of professional conduct. Further, in a separate meeting of Independent Directors, performance of non-independent directors, the Board as whole and the Chairman of the Company was evaluated.

- (i) Performance review of all the Non-Independent Directors of the Company on the basis of the activities undertaken by them, expectation of board and level of participation;
- (ii) Performance review of the Chairman of the Company in terms of level of competence of chairman in steering the company;
- (iii) The review and assessment of the flow of information by the Company to the board and manner in which the deliberations take place, the manner of placing the agenda and the contents therein;
- (iv) The review of the performance of the directors individually, its own performance as well as evaluation of working of its committees shall be carried out by the board;

- (v) On the basis of performance evaluation, it shall be determined by the Nomination and Remuneration Committee and the Board whether to extend or continue the term of appointment of ID subject to all other applicable compliances.

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the period under the review, the Company has 2 (two) subsidiary companies i.e. MAS Rural Housing and Mortgage Finance Limited and MASFIN Insurance Broking Private Limited. Pursuant to the provision of Section 129(3) of the Companies Act, 2013, the performance and financial position of Subsidiaries, Associates and Joint Venture Companies are described in Form AOC-1 which is annexed herewith as "Annexure - F".

Further the Company does not have any Joint Venture or Associate Company during the period under the review.

The Company's policy for determination of material subsidiary, as adopted by the Board of Directors, in conformity with regulation 16 of the SEBI Listing Regulations, can be accessed on the Company's website at <https://mas.co.in/policy.aspx>

## PARTICULARS OF EMPLOYEES:

The information required under section on 197 of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are mentioned as per "Annexure – G".

Details of top ten employees in terms of the remuneration and employees in receipt of remuneration as required under Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which form part of the this report will be made available to any member on request, as per provisions of Section 136(1) of the Act and the same is also available on the website of the Company, at [www.mas.co.in](http://www.mas.co.in)

## THE CHANGE IN NATURE OF BUSINESS:

The Company continues to carry out the same activities and during the period under review there is no change in the nature of business.

## DISCLOSURE ABOUT RECEIPT OF ANY COMMISSION BY THE MANAGING DIRECTOR / WHOLE-TIME DIRECTOR FROM A COMPANY:

The Company has not paid any commission to the Managing Director / Whole-Time Director against any services during the period under review.

## PUBLIC DEPOSITS:

The Company is Non - deposit taking Non-Banking Financial Company registered with Reserve Bank of India and is prohibited from accepting public deposits and therefore

the Company has not accepted any deposits from public during the year under review and there was no public deposit outstanding as on March 31, 2025.

## CAPITAL STRUCTURE:

### 1. AUTHORISED SHARE CAPITAL:

The Authorised Share Capital as on March 31, 2025 was ₹ 200,00,00,000/- (Rupees Two Hundred Crores only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

During the year under review there was no change in the Authorised Share Capital of the Company.

### 2. PAID UP SHARE CAPITAL:

The Paid Up Share Capital of the Company as on March 31, 2025 was ₹ 1,81,45,33,770/- (Rupees One Hundred and Eighty One Crores Forty Five Lakh Thirty Three Thousand Seven Hundred and Seventy only) divided into 18,14,53,377 (Eighteen Crore Fourteen Lakh Fifty Three Thousand Three Hundred and Seventy Seven) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

During the year, the Company had issued and allotted 1,74,67,248 (One Crore Seventy Four Lakh Sixty Seven Thousand Two Hundred and Forty Eight) fully paid up Equity Shares of ₹ 10/- each at a price of ₹ 286.25 per Equity Share, including a premium of ₹ 276.25 per Equity Share by issuing Equity shares through Qualified Institutions Placement on June 21, 2024 and hence the paid up equity capital increased from 16,39,86,129 Equity Shares of ₹ 10/- each to 18,14,53,377 Equity Shares of ₹ 10/- each.

## DEBENTURES:

During the year under review there was no change in the following Non-Convertible Debentures ("NCDs") of the Company.

- 50 (Fifty) unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,00,000 (Indian Rupees One Crore) aggregating to ₹ 50,00,00,000 (Indian Rupees Fifty Crore) ("Debentures" or "NCDs") on a private placement basis (the "Issue") bearing ISIN **INE348L08041** at the rate of 10.75% (Ten decimal seven five Percentage) p.a. were issued on October 20, 2021.
- 500 (five hundred) unlisted, subordinated, unsecured, redeemable, non-convertible debentures, having a face value of ₹ 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of ₹ 50,00,00,000 (Indian Rupees Fifty Crore) bearing ISIN **INE348L08058** at the rate of 10.75% (Ten decimal seven five Percentage) p.a. were issued on December 29, 2021.
- 250 (Two Hundred and Fifty) unlisted, subordinated, unsecured, redeemable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 10,00,000 (Indian Rupees Ten Lakh) and an aggregate face value of ₹ 25,00,00,000 (Indian Rupees Twenty Five Crore) ("Debentures") bearing ISIN **INE348L08066** at the rate of 10.75% (Ten Decimal Seventy Five percentage) p.a. were issued on September 29, 2022.
- 3500 (Thirty Five Hundred) unlisted, subordinated, unsecured, redeemable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 35,00,00,000 (Indian Rupees Thirty Five Crores) ("Debentures") bearing ISIN **INE348L08074** at the rate of 10.75% (Ten Decimal Seventy Five percentage) p.a. were issued on December 21, 2022.
- 5,000 (Five Thousand) listed, subordinated, unsecured, redeemable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 50,00,00,000 (Indian Rupees Fifty Crore) ("Debentures") bearing ISIN **INE348L08082** at the rate of 10.75% (Ten Decimal Seventy Five percentage) p.a. were issued on March 10, 2023.
- 5,000 (Five Thousand) listed, subordinated, unsecured, redeemable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 50,00,00,000 (Indian Rupees Fifty Crore) ("Debentures") bearing ISIN **INE348L08090** at the rate of 10.75% (Ten Decimal Seventy Five percentage) p.a. were issued on March 27, 2023.
- 2500 (Two-thousand Five Hundred) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of ₹ 25,00,00,000 (Indian Rupees Twenty-Five Crore) bearing ISIN **INE348L08108** at the rate of 10.75% (ten decimal seven five percent) p.a. were issued on December 08, 2023 (Tranche-1).
- 2500 (Two-thousand Five Hundred) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of ₹ 25,00,00,000 (Indian Rupees Twenty-Five Crore) bearing ISIN **INE348L08108** at the rate of 10.75% (ten decimal seven five percent) p.a. were issued on December 21, 2023 (Tranche-2).

9. 10,000 (Ten Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of ₹ 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to ₹ 100,00,00,000/- (Indian Rupees One Hundred Crores Only) bearing ISIN **INE348L07159** at the rate of Aggregate sum of (a) Benchmark Rate; plus (b) the applicable Spread) Current rate is 8.04% (eight decimal zero four percent) payable on a quarterly basis) were issued on September 28, 2023.
10. 10,000 (Ten thousand) rated, listed, senior, secured, redeemable, taxable, transferable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) including a green shoe option of up to ₹ 50,00,00,000 (Indian Rupees Fifty Crore) bearing ISIN **INE348L07167** at the rate of 8.60% (eight decimal six zero percent) p.a. were issued on January 16, 2024.
11. 12,500 (Twelve Thousand and Five Hundred) senior, secured, listed, rated, taxable, redeemable, transferable, non-convertible debentures having a face value of ₹ 1,00,000/- (Indian Rupees One Lakh only) each and aggregate face value up to ₹ 125,00,00,000/- (Indian Rupees One Hundred and Twenty-Five Crores Only) bearing ISIN **INE348L07175** at the rate of 9.75% (initial) (nine decimal seven five percent) p.a. were issued on February 21, 2024.
12. 20,000 (Twenty thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 200,00,00,000 (Indian Rupees Two Hundred Crore) bearing ISIN **INE348L07183** at the rate of 9.95% (nine decimal nine five percent) p.a. were issued on March 21, 2024.

Over the course of the reviewed timeframe, the following Non-Convertible Debenture of the Company was redeemed:

1. 500 (Five Hundred) rated, listed, redeemable, senior, secured, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 10,00,000 (Indian Rupees Ten Lakh) and an aggregate face value of ₹ 50,00,00,000 (Indian Rupees Fifty Crores) ("Debentures") bearing ISIN **INE348L07126** at the rate of 8.93% (Eight Decimal nine three percentage) p.a.
2. 1000 (One Thousand) rated, senior, secured, listed, transferable, redeemable, principal protected market linked non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 10,00,000 (Indian Rupees Ten Lakh) and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees Hundred Crore) ("Debentures") bearing ISIN **INE348L07142** at the rate of (a) 8.90% (eight decimal nine zero percent) (XIRR), if the Yield is lesser than or equal to 18% (eighteen percent); (b) 8.80% (eight decimal eight zero percent) (XIRR), if the Yield is lesser than or equal to 24% (twenty four percent) but greater than 18% (eighteen percent); and/or (c) 0% (zero percent) (XIRR), if the Yield is greater than 24% (twenty four percent).
3. 15,000 (Fifteen Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures having a face value of ₹ 1,00,000/- (Indian Rupees One Lakh only) each and aggregate face value up to ₹ 150,00,00,000/- (Indian Rupees One Hundred and Fifty Crores Only) including a green shoe option of up to ₹ 50,00,00,000 (Indian Rupees Fifty Crore) bearing ISIN **INE348L07217** at the rate of 8.35% (eight decimal three five percent) p.a. were issued on August 28, 2024.
4. 10,000 (Twenty Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) bearing ISIN **INE348L07225** at the rate of 8.35% (eight decimal three five percent) p.a. were issued on October 18, 2024.
5. 10,000 (Twenty Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) bearing ISIN **INE348L07191** at the rate of 8.55% (eight decimal five five percent) p.a. were issued on June 06, 2024.
6. 10,000 (Ten thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) including a green shoe option of up to ₹ 50,00,00,000 (Indian Rupees Fifty Crore) bearing ISIN **INE348L07209** at the rate of 9.57% (nine decimal five seven percent) p.a. were issued on June 21, 2024.

During the period under the review, the following Non-Convertible Debenture of the Company was issued:

1. 20,000 (Twenty thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of ₹ 200,00,00,000 (Indian Rupees Two Hundred Crore) including a green shoe option of up to ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) bearing ISIN **INE348L07191** at the rate of 8.55% (eight decimal five five percent) p.a. were issued on June 06, 2024.
2. 10,000 (Ten thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) including a green shoe option of up to ₹ 50,00,00,000 (Indian Rupees Fifty Crore) bearing ISIN **INE348L07209** at the rate of 9.57% (nine decimal five seven percent) p.a. were issued on June 21, 2024.
3. 15,000 (Fifteen Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures having a face value of ₹ 1,00,000/- (Indian Rupees One Lakh only) each and aggregate face value up to ₹ 150,00,00,000/- (Indian Rupees One Hundred and Fifty Crores Only) including a green shoe option of up to ₹ 50,00,00,000 (Indian Rupees Fifty Crore) bearing ISIN **INE348L07217** at the rate of 8.35% (eight decimal three five percent) p.a. were issued on August 28, 2024.
4. 10,000 (Twenty Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) bearing ISIN **INE348L07225** at the rate of 8.35% (eight decimal three five percent) p.a. were issued on October 18, 2024.
5. 10,000 (Twenty Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) bearing ISIN **INE348L07191** at the rate of 8.55% (eight decimal five five percent) p.a. were issued on June 06, 2024.
6. 10,000 (Ten thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of ₹ 100,00,00,000 (Indian Rupees One Hundred Crore) including a green shoe option of up to ₹ 50,00,00,000 (Indian Rupees Fifty Crore) bearing ISIN **INE348L07209** at the rate of 9.57% (nine decimal five seven percent) p.a. were issued on June 21, 2024.



**INE348L07233** at the rate of 8.45% (eight decimal four five percent) p.a. were issued on November 28, 2024.

6. 35,000 (Thirty Five Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 10,000 (Indian Rupees Ten Thousand) and an aggregate face value of ₹ 35,00,00,000 (Indian Rupees Thirty Five Crore) (Series I) bearing ISIN **INE348L07258** at the rate of 9.40% (nine decimal four zero percent) p.a. were issued on December 23, 2024.
7. 65,000 (Sixty Five Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 10,000 (Indian Rupees Ten Thousand) and an aggregate face value of ₹ 65,00,00,000 (Indian Rupees Sixty Five Crore) (Series II) bearing ISIN **INE348L07241** at the rate of 9.60% (nine decimal six zero percent) p.a. were issued on December 23, 2024.
8. 7,500 (Seven Thousand and Five Hundred) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 75,00,00,000 (Indian Rupees Seventy Five Crore) bearing ISIN **INE348L07266** at the rate of 9.75% (nine decimal seven five percent) p.a. were issued on December 30, 2024.
9. 65000 (Sixty-Five Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 10,000 (Indian Rupees Ten Thousand) and an aggregate face value of ₹ 65,00,00,000 (Indian Rupees Sixty-Five Crore) including a green shoe option of up to ₹ 50,00,00,000 (Indian Rupees Fifty Crore) ("Series I Debentures") bearing ISIN **INE348L07274** at the rate of 9.60% (nine decimal six zero percent) (floating interest rate) p.a. were issued on February 13, 2025.
10. 60,000 (Sixty Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 10,000 (Indian Rupees Ten Thousand) and an aggregate face value of ₹ 60,00,00,000 (Indian Rupees Sixty Crore) bearing ISIN **INE348L07241** at the rate of 9.60% (nine decimal six zero percent) p.a. were issued on February 13, 2025 reissuance under the same ISIN.

11. 15,000 (Fifteen Thousand) rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 150,00,00,000 (Indian Rupees One Hundred and Fifty Crore) bearing ISIN **INE348L07282** at the rate of 9.80% (nine decimal seven five percent) (floating interest rate) p.a. were issued on March 21, 2025.
12. 5,000 (Five Thousand) rated, listed, unsubordinated, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("₹"), each having a face value of ₹ 1,00,000 (Indian Rupees One Lakh) and an aggregate face value of ₹ 50,00,00,000 (Indian Rupees Fifty Crore) bearing ISIN **INE348L07290** at the rate of 9.6% (nine decimal six percent) p.a. were issued on March 28, 2025.

### STATUTORY COMPLIANCE:

The Company has provided for impairment of loans and advances as per IND AS 109 prescribed under section 133 of the Companies Act, 2013. The Company has also complied with the directions issued by RBI regarding Capital Adequacy norms.

### COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### MATERIAL ORDER PASSED BY REGULATORS / COURTS / TRIBUNALS:

There was no material order passed by Regulators / Courts / Tribunals during the year under review impacting the going concern status and company's operations in future.

### ADEQUACY OF INTERNAL FINANCIAL CONTROL

Internal Financial Control remains an important component to foster confidence in a company's financial reporting, and ultimately, streamlining the process to adopt best practices. In pursuance to provisions of Section 134(5)(e) of the Companies Act, 2013 read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 your Company has in place adequate internal controls with reference to financial statements and are operating effectively. The Company has devised proper system of internal financial control which is commensurate with size and nature of Business. The Board has appointed Ms. Deepika Agarwal as the Internal Auditor of the Company pursuant to provisions of Section 138 of the Companies Act, 2013 in order to ensure proper internal financial control.

## INSURANCE:

The assets of your Company have been adequately insured. Further, company has taken D&O Insurance for Directors & KMP.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

### Appointments & Cessation/Retirement

#### Appointment of Mr. Vishal Vasu (DIN: 02460597) as an Independent Director

On recommendation of Nomination and Remuneration Committee, the Board has appointed Mr. Vishal Vasu (DIN: 02460597) as an Independent Director of the Company for a period of five consecutive years effective from April 24, 2024. The same has been approved by the members vide special resolution passed through postal ballot by way of remote e-voting on July 19, 2024 and the result of the same was declared on July 20, 2024.

#### Regularisation of Mr. Dhvanil Gandhi (DIN: 10562922) as a Director

On recommendation of Nomination and Remuneration Committee, the Board has appointed Mr. Dhvanil Gandhi (DIN: 10562922) as an Additional Director of the Company belonging to the category of Promoter effective from August 14, 2024. His appointment was confirmed and approved by the members vide ordinary resolution passed at the Annual General Meeting held on September 11, 2024.

#### Appointment of Mr. Dhvanil Gandhi (DIN: 10562922) as a Whole-Time Director

On recommendation of Nomination and Remuneration Committee, the Board has appointed Mr. Dhvanil Gandhi (DIN: 10562922) as a Whole-Time Director of the Company for a period of five consecutive years effective from August 14, 2024. The same has been approved by the members vide special resolution passed at the Annual General Meeting held on September 11, 2024.

#### Appointment of Dr. Barnali Chaklader (DIN: 10970760) as an Independent Woman Director

On recommendation of Nomination and Remuneration Committee, the Board has appointed Dr. Barnali Chaklader (DIN: 10970760) as an Independent Woman Director of the Company for a period of One year effective from March 04, 2025. The same has been approved by the members vide special resolution passed through postal ballot by way of remote e-voting on April 05, 2025 and the result of the same was declared on April 07, 2025.

#### Retirement of Mrs. Daksha Shah (DIN: 00376899) as an Independent Woman Director of the Company.

On account of completion of second term of five consecutive years as terms of appointment, Mrs. Daksha Shah (DIN: 00376899) ceased to be Non-Executive Independent

Directors of the Company with effect from close of business hours on March 13, 2025. The Board places on record its sincere appreciation for the valuable contribution made by Mrs. Daksha Shah during her long tenure as Independent Woman Director on the Board of the Company.

### A. Directors liable to retire by rotation

Pursuant to the provisions of Section 152 (6) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) Mr. Dhvanil Gandhi (DIN: 10562922) Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible to offers himself for reappointment.

The Board of Directors in its meeting held on Wednesday, July 23, 2025 on the recommendations of the Nomination and Remuneration Committee (NRC), further recommends to the members of the Company for re-appointment of Mr. Dhvanil Gandhi (DIN: 10562922), as the Director of the Company.

Necessary resolution for the appointment of the aforesaid Directors and his detailed profile has been included in the notice convening the 30<sup>th</sup> AGM and details of the proposal for appointment is mentioned in the explanatory statement of the notice.

Your directors recommend his appointment.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of section 164 & 165 of the Companies Act, 2013. Mr. Ravi Kapoor Proprietor of M/s. Ravi Kapoor & Associates has issued a certificate as required under the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Company by SEBI / Ministry of Corporate Affairs or any such statutory authority. A certificate to this effect has been enclosed with Corporate Governance Report.

### B. KMPs

During the period under the review, there were no changes in the KMPs of the Company.

### Ratio of remuneration of each director to the calculation of median employee's remuneration and other prescribed details

Details of managerial remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as per 'Annexure - G' to this report.

## REPORTS ON MANAGEMENT DISCUSSION ANALYSIS AND CORPORATE GOVERNANCE:

As required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Management Discussion and Analysis Report and Corporate Governance Report are forming part to this Report annexed as "Annexure – H" and "Annexure – I".

## SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Your Company is committed for creating and maintaining a secure work environment where its employees can work in an atmosphere free of harassment, exploitation and intimidation. To foster a positive workplace environment, free from harassment of any nature to empower women and protect them against sexual harassment, and as per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, we have institutionalised the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate.

We have also constituted a Special Complaints Committee to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there were no incidences of sexual harassment reported. Details of complaints of sexual harassment as prescribed under rule 8(5)(x) of the Companies (Accounts) Rules, 2014 are as follows:

| Sr. No. | Particulars  | No. of Complaints |
|---------|--|-------------------|
| 1.      | Number of complaints of sexual harassment received in the year | Nil               |
| 2.      | Number of complaints disposed off during the year              | Nil               |
| 3.      | Number of cases pending for more than ninety days              | Nil               |

## COMPLIANCE WITH MATERNITY BENEFIT ACT 1961

We are committed to the well-being of our employees and offer industry-leading benefits, including accidental insurance and maternity/paternity coverage in line with applicable laws. Our Board-approved Employee Health & Safety Policy underscores our dedication to ensuring a safe and healthy workplace for all. In alignment with this commitment, we organised training sessions on health and safety best practices to promote overall workplace well-

being. The Company confirms that it is in full compliance with the provisions of the Maternity Benefit Act, 1961. We are committed to upholding the rights and welfare of our employees and have implemented all necessary measures to ensure that eligible women employees receive the benefits and protections mandated under the Act, including maternity leave and workplace support, as applicable.

**Maternity Leave:** Female employees are entitled to up to 182 days of maternity leave as per the Company's policy, aligning with applicable legal requirements.

**Paternity Leave:** Male employees may avail up to five days of paternity leave within three months following the birth of their child.

The Company strictly prohibits any form of discrimination against employees on the basis of pregnancy. Female employees who are pregnant will not face any discrimination in terms of salary increments, promotions or other employment benefits. We are committed to fostering an inclusive and supportive work environment where all employees are treated fairly and equitably, regardless of their pregnancy status.

## DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:

The Audit Committee consists of the following members as on March 31, 2025:

|    |   |            |
|----|---|------------|
| 1. | Mr. Umesh Shah<br>(Independent Director)            | – Chairman |
| 2. | Mrs. Darshana Pandya<br>(Whole-time Director & CEO) | – Member   |
| 3. | Mr. Narayanan Sadanandan<br>(Independent Director)  | – Member   |

Ms. Riddhi Bhaveshbhai Bhayani, Company Secretary & Chief Compliance Officer acts as the Secretary to the Audit Committee.

The composition and scope of Audit committee inter alia meets with the requirement of Section 177 of the Companies Act, 2013 and in accordance with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

No. of Meetings of Audit Committee held during the year: 8

| Sr. No. | Date on which Audit Committee Meetings were held | Total Strength of the Committee | No. of Members Present |
|---------|--|---------------------------------|------------------------|
| 1       | April 24, 2024                                   | 4                               | 4                      |
| 2       | May 16, 2024                                     | 4                               | 4                      |
| 3       | July 24, 2024                                    | 4                               | 4                      |



| Sr. No. | Date on which Audit Committee Meetings were held | Total Strength of the Committee | No. of Members Present |
|---------|--|---------------------------------|------------------------|
| 4       | August 14, 2024                                  | 4                               | 4                      |
| 5       | October 22, 2024                                 | 4                               | 4                      |
| 6       | November 15, 2024                                | 4                               | 4                      |
| 7       | January 29, 2025                                 | 4                               | 4                      |
| 8       | March 18, 2025                                   | 3                               | 3                      |

In Compliance with the provisions of Companies Act, 2013 and Regulation 22 of Listing Regulations, the Company has established a vigil mechanism and overseas through the Committee, the genuine concerns about unethical behavior expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimisation of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company. The board has approved a policy for vigil mechanism which has been hosted on the website of the Company. The web-link for the same is <https://www.mas.co.in/policy.aspx>.

#### DISCLOSURES PURSUANT TO RBI MASTER DIRECTION:

The disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, is annexed herewith as “Annexure - J”.

Further, since the Company is a listed Non-Deposit taking Non-Banking Financial Company registered with the Reserve Bank of India (RBI), the Company has provided the required disclosures in its Corporate Governance Report in terms of para C of Schedule V of SEBI (LODR) Regulations, 2015 as applicable to the Company in Annexure-I which forms part of this annual report.

#### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

A Business Responsibility and Sustainability Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, is enclosed as part of this report, vide “Annexure - K”.

#### CREDIT RATING:

We are pleased to announce that Acuite Ratings and Research has upgraded Company's Bank Loan Ratings and Non-Convertible Debentures rating to 'Acuite AA; Stable' from the previous rating of 'Acuite AA-; Stable'.

This rating upgrade reaffirms the high reputation and trust that the Company has earned for its sound financial management and its ability to meet financial obligations.

**During the year, the rating agencies reaffirmed/issued/upgraded ratings of various facilities to the Company, as under:**

| Sr. No. | Type of Instrument         | Rating            |
|---------|----------------------------|-------------------|
| 1       | Long Term Bank Facilities  | ACUITE AA; Stable |
| 2       | Commercial Papers          | ACUITE A1+        |
| 3       | Non-Convertible Debentures | ACUITE AA; Stable |
| 4       | Long Term Bank Facilities  | CARE AA-; Stable  |
| 5       | Commercial Papers          | CARE A1+          |
| 6       | Non-Convertible Debentures | CARE AA-; Stable  |
| 7       | Subordinated Bond          | CARE AA-; Stable  |

#### DISCLOSURE FOR MAINTENANCE OF COST RECORDS:

The provision of Application of Cost Record in Compliance of Companies (Accounts) Rules, 2014 & in respect of section 148(1) of the Companies Act, 2013 is not applicable to the Company.

#### THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR:

During the year under review, the Company did not file any application before the National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016 for recovery of outstanding loans against customer and there is no pending proceeding against the Company under Insolvency and Bankruptcy Code, 2016.

#### 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 DURING THE FINANCIAL YEAR:

It is Not Applicable to the Company, during the financial year.

#### ACKNOWLEDGEMENT

The Board of Directors extends their heartfelt gratitude to the Reserve Bank of India and other regulatory authorities for their invaluable guidance and cooperation. Their support has been instrumental in enabling the Company to operate effectively within the regulatory framework. We also extend

our heartfelt appreciation to all those who have placed their trust in the Company and its management. We are deeply grateful to our loyal customer base, which now exceeds one million across the diverse regions we serve. Their confidence and continued patronage provide us with the privilege and motivation to consistently deliver quality financial services.

Our collaboration with a wide network of NBFC-MFIs, NBFCs, and Housing Finance Companies (HFCs) has been truly inspiring. These partnerships have not only fueled mutual growth but also strengthened the financial ecosystem. We look forward to deepening these relationships and creating even greater synergies in the years ahead, fostering enduring and mutually beneficial alliances.

Best Wishes,

**For and on behalf of the Board of Directors of  
MAS FINANCIAL SERVICES LIMITED**

**Kamlesh C. Gandhi**

Chairman and Managing Director  
(DIN: 00044852)

Place: Ahmedabad  
Date: July 23, 2025

The entire MAS Team deserves recognition for their unwavering commitment and relentless pursuit of excellence. The core team at MAS plays a pivotal role in formulating and executing strategic decisions, contributing significantly to the Company's overall growth. We take this moment to express our heartfelt appreciation for their continuous support, hard work, and unwavering dedication. Their contributions have been integral to the Company's success.

We trust that this journey will continue to be a rewarding one with their support, aware of the fact that we have "Miles to go.... with the confidence that "Together We Can and We Will....."

## REMUNERATION POLICY

The policy is prepared in accordance with the provisions of Section 178(3) of the Companies Act, 2013 ('Act') and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration being paid to Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

This Policy is guided by the principles and objectives as enumerated in Section 178 (3) of the Companies Act, 2013 and the rules made thereunder, each as amended (the "**Act**") and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

This Policy reflects the remuneration philosophy and principles of the Company and considers the pay and employment conditions with peers / competitive market to ensure that pay structures are appropriately aligned.

### 1. REMUNERATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS

The Company pays sitting fees of ₹ 75,000/- per Board meeting and ₹ 35,000/- per Committee meeting attended by Non Executive Directors in line with the provisions of Act. Apart from sitting fees, Company is not paying any amount to Non Executive Directors.

### 2. REMUNERATION OF EXECUTIVE DIRECTOR

The payment of managerial remuneration to Executive Directors, Key Managerial Personnel and Senior Management Team will be reviewed and recommended by Nomination and Remuneration Committee which will be approved by Board of Directors and/or shareholders as per applicable provisions of Companies Act, 2013 and Listing Regulations. Further remuneration of Other Employees shall be decided/ recommended and approved by the management/ Executive Directors based on company's HR Policy.

Further following point's needs to be considered while making payment of remuneration to Directors, Key Managerial Personnel and Senior Management:

- The Remuneration and terms of employments shall be fixed/ recommended in such a manner that the structure is clear and meets appropriate performance benchmarks.

- The Remuneration involve a good balance between fixed and incentive pay reflecting short and long term performance objective appropriate to the working of the Company and its goals.
- The remuneration will be in correlation of company's HR Policy.
- No Directors or Key Managerial Personnel should be directly involved in determining their own remuneration or their final performance evaluation.
- The 'fit and proper' status of proposed/existing directors and that there is no conflict of interest in appointment of directors on Board of the company, KMPs and senior management.
- That the compensation levels are supported by the need to retain earnings of the company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP).
- The Non- Executive / Independent Director shall receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed such amount as may be prescribed by the Central Government from time to time.
- An Independent Director shall not be entitled to any stock option including long term incentive in the form of RSUs of the Company.

### 3. CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

Pursuant to provisions of section 178(3) of the Act read with Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualification, positive attributes and independence of a Director and senior management and for appointment of independent director the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose is as under:

#### Qualification: -

He/ she should be qualified and eligible as per the provisions prescribed under Companies Act, 2013



and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and should possess appropriate skills, experience, expertise and knowledge.

**Criteria for appointing a Director: -**

- He should be knowledgeable and diligent in updating his knowledge and should possess adequate qualification, skills, experience and expertise by which the Company can benefit and should be person of integrity, with high ethical standards.
- Independent Director, in addition to above should fulfill the criteria for being appointed as an Independent Director prescribed under Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- In addition to above Executive Directors should possess quality like leadership, vision, ability to steer the organization even in adverse condition, innovative thinking and team mentoring.

**In case of Re-appointment following additional criteria shall be considered:**

- **Executive Directors:** The committee will evaluate the performance during his/her tenure as Director of the Company as well performance of the Company including all such other factors as required under Companies Act, 2013, SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and other applicable laws as amended from time to time to be considered for re-appointment of director.

- **Non-executive Directors (including Independent Directors):** The committee will evaluate the performance during his/her tenure as Director in the Company, attendance and participation in the meetings and contribution to the activities of the Board and including all such other factors as per Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other applicable laws as amended from time to time to be considered for re-appointment of director.

**Criteria for appointing a Senior Management Employee/ Key Managerial Personnel:**

- He should possess adequate educational qualification from recognized institution.
- He should have integrity, hardworking, positive thinking and other skills as required for suitable position.
- Detailed background information will be cross checked from reliable sources.
- Criteria under Company's HR Policy will be followed.

Form No. MR-3  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st March, 2025**

[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  
**MAS Financial Services Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MAS Financial Services Limited (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the statutory compliances and expressing our opinion thereon.

We have verified the soft copies of records maintained by the Company. Based on our online verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2025 generally 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 MAS Financial Services Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2025 and verified the provisions of the following acts, regulations and also their applicability as far as the Company is concerned during the period under Audit:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) Securities And Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **during the year the said Regulations were not applicable.**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Debt Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **and during the year the said Regulations were not applicable.**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **during the year the said Regulations were not applicable.**

- (vi) Reserve Bank of India Act, 1934

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except in following cases:

1. The Reserve Bank of India (RBI) has imposed a fine and instructed to pay compensation of ₹ 15,600/- to the customer for non updation of CIBIL records within due timelines.
2. The BSE Ltd. has imposed fine of ₹ 88,000/- + GST (₹ 2000/- per day per ISIN) for violation of Regulation 57 (1) of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015) for Non-submission of information related to payment obligation.
3. The BSE Ltd. and National Stock Exchange of India Ltd. has imposed fine of ₹ 1,15,000/- + GST (₹ 5000 per day + GST) for violation of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015) for Non-compliance with the requirements pertaining to the composition of the Board.

The management response on above qualifications has been mentioned by the Company in Director's report.

We further report that:

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. During the year the changes took place in the composition of the Board of Directors were carried out in compliance with the provisions of the Act.

- ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii) All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

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

We further report that during the audit period there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For, Ravi Kapoor & Associates

**Ravi Kapoor**

Company Secretary in practice

FCS No. 2587

C P No.: 2407

UDIN: F002587G000846243

Place: Ahmedabad

Date: 23<sup>rd</sup> July, 2025

This report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this report.



To,  
The Members  
**MAS Financial Services 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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process 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 procedure on 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, Ravi Kapoor & Associates

**Ravi Kapoor**

Company Secretary in practice

FCS No. 2587

C P No.: 2407

UDIN: F002587G000846243

Place: Ahmedabad  
Date: 23<sup>rd</sup> July, 2025

## ANNEXURE - C

## FORM NO. AOC - 2

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

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

1. **Details of Contracts or Arrangements or Transactions not at Arm's length basis.** MAS Financial Services Limited ("the Company") has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or at arm's length during FY 2024-25. The Company has laid down policies and processes/ procedures so as to ensure compliance to the subject section in the Companies Act ("the Act") and corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

**Number of contracts or arrangements or transactions not at arm's length basis- Nil**

| Sr. No. | Block-1  | Details |
|---------|--|---------|
| A       | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | N.A.    |
| B       | Name(s) of the related party   | N.A.    |
| C       | Nature of relationship   | N.A.    |
| D       | Nature of contracts/ arrangements/ transactions  | N.A.    |
| E       | Duration of the contracts / arrangements/ transactions   | N.A.    |
| F       | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount  | N.A.    |
| G       | Justification for entering into such contracts or arrangements or transactions   | N.A.    |
| H       | Date of approval by the Board (DD/MM/YYYY)   | N.A.    |
| I       | Amount paid as advances, if any  | N.A.    |
| J       | Date on which the resolution was passed in general meeting as required under first proviso to section 188 (DD/MM/YYYY)   | N.A.    |
| K       | SRN of MGT-14  | N.A.    |

2. **Details of material contracts or arrangements or transactions at arm's length basis for the year ended on March 31, 2025**

Number of material contracts or arrangements or transactions at arm's length basis- 5 (Five)

| Sr. No. | Block-1  | Details  |
|---------|--|--|
| A       | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U74900GJ2007PLC051383  |
| B       | Name(s) of the related party   | MAS Rural Housing & Mortgage finance Limited   |
| C       | Nature of relationship   | Subsidiary Company   |
| D       | Nature of contracts/ arrangements/ transactions  | Rendering of Services (Agreement for Amenities)  |
| E       | Duration of the contracts / arrangements/ transactions   | One Year   |
| F       | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount  | MFSL agrees to provide MRHMFL within the premises the amenities, services, facilities-Usage of commercial premises of MFSL, furnitures & fixtures including computers, telephone lines, networks, use of water and water supply, and other necessary amenities for carrying on business activities smoothly. |
| G       | Date of approval by the Board (DD/MM/YYYY)   | July 24, 2024  |
| H       | Amount paid as advances, if any  | No such amount was paid as advances.   |

| Sr. No. | Block-2  | Details   |
|---------|--|---|
| A       | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U74900GJ2007PLC051383   |
| B       | Name(s) of the related party   | MAS Rural Housing & Mortgage finance Limited  |
| C       | Nature of relationship   | Subsidiary Company  |
| D       | Nature of contracts/ arrangements/ transactions  | Recovery Agreement  |
| E       | Duration of the contracts / arrangements/ transactions   | Two years   |
| F       | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount  | MFSL agrees to provide service to MRHMFL of collecting outstanding instalments and other dues from its customers and agrees to provide the said service under the terms and conditions as set forth in Agreement with MRHMFL. |
| G       | Date of approval by the Board (DD/MM/YYYY)   | February 1, 2023  |
| H       | Amount paid as advances, if any  | No such amount was paid as advances.  |

| Sr. No. | Block-3  | Details  |
|---------|--|--|
| A       | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U74900GJ2007PLC051383  |
| B       | Name(s) of the related party   | MAS Rural Housing & Mortgage finance Limited   |
| C       | Nature of relationship   | Subsidiary Company   |
| D       | Nature of contracts/ arrangements/ transactions  | Cross Charge Agreement   |
| E       | Duration of the contracts / arrangements/ transactions   | One Year   |
| F       | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount  | MFSL agrees to provide several intellectual services to MAS Rural Housing & Mortgage Finance Limited ("MRHMFL") from the Management of the Company to carry out the operations of the MRHMFL and considering time slot allotted to look into the activities of the MRHMFL, the Company to receive as amount as Cross Charge from MRHMFL. |
| G       | Date of approval by the Board (DD/MM/YYYY)   | July 24, 2024  |
| H       | Amount paid as advances, if any  | No such amount was paid as advances.   |

| Sr. No. | Block-4  | Details   |
|---------|--|---|
| A       | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U74900GJ2007PLC051383   |
| B       | Name(s) of the related party   | MAS Rural Housing & Mortgage finance Limited  |
| C       | Nature of relationship   | Subsidiary Company  |
| D       | Nature of contracts/ arrangements/ transactions  | Servicer Agreement  |
| E       | Duration of the contracts / arrangements/ transactions   | Until all the amount receivable by assignee are received in full.   |
| F       | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount  | MFSL has appointed MRHMFL as a servicer to collect and receive payments in respect of the Receivables and the Assigned Assets, and to provide certain other services. |
| G       | Date of approval by the Board (DD/MM/YYYY)   | June 05, 2024   |
| H       | Amount paid as advances, if any  | No such amount was paid as advances.  |



| Sr. No. | Block-5  | Details  |
|---------|--|--|
| A       | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U74900GJ2007PLC051383  |
| B       | Name(s) of the related party   | MAS Rural Housing & Mortgage finance Limited   |
| C       | Nature of relationship   | Subsidiary Company   |
| D       | Nature of contracts/ arrangements/ transactions  | Investment in Equity Shares  |
| E       | Duration of the contracts / arrangements/ transactions   | Event Based  |
| F       | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount  | The Board has approved the an investment upto ₹ 15 Crores (Rupees Fifteen Crores only) in one or more tranches, in the equity shares of the MAS Rural Housing & Mortgage Finance Limited, a subsidiary Company of MAS Financial Services Limited." |
| G       | Date of approval by the Board (DD/MM/YYYY)   | January 29, 2025   |
| H       | Amount paid as advances, if any  | No such amount was paid as advances.   |

**For and on behalf of the Board of Directors of  
MAS FINANCIAL SERVICES LIMITED**

**Kamlesh C. Gandhi**

Chairman and Managing Director  
(DIN: 00044852)

**Darshana Pandya**

Whole-Time Director & CEO  
(DIN: 07610402)

Place: Ahmedabad

Date: July 23, 2025

## DIVIDEND DISTRIBUTION POLICY

### 1. BACKGROUND:

- The Objective of this policy is to provide the Dividend Distribution framework to the stakeholders of the Company.
- The Board of Directors shall recommend Dividend according to the provisions of the Companies Act, 2013 and Rules made thereunder and in accordance with the compliance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable legal provisions.
- Under Section 2(35) of the Companies Act, 2013, "Dividend" includes any interim dividend. In common parlance, "dividend means the profit of a Company, which is not retained in the business and is distributed among the shareholders in proportion to the amount paid up on the shares held by them." Dividend can be paid on equity or preference shares both.
- The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting.
- The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

### 2. CLASSES OF SHARES:

The Company has issued only one class of shares i.e. Equity Shares. Parameters for Dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable provisions of the Act, rules and regulations and will be determined, as and when the Company decides to issue other classes of shares.

### 3. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDER'S OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND:

The circumstance that may generally be considered by the Board before making any recommendations for the Dividend includes:

- Cost of raising funds from alternative sources.
- Whenever the Company has incurred losses or there is inadequacy of profits.
- Whenever the Company undertakes any acquisitions or enters into joint ventures requiring significant allocation of capital.

- Future capital expenditure plans
- Profits earned during the financial year
- Cash flow position and applicable taxes including tax on dividend, subject to the guidelines as applicable from time to time.
- Any of the below referred internal or external factors, including any regulatory restriction, if any, restraining the Company from considering dividend;

### 4. FINANCIAL PARAMETERS:

Dividend shall be declared or paid only out of profits computed as per the applicable provisions of the act and rules made thereunder and other applicable laws.

### 5. INTERNAL AND EXTERNAL FACTORS THAT SHALL BE CONSIDERED FOR DECLARATION OF DIVIDEND:

- Distributable surplus available as per the Act, Rules and Regulations;
- The Company's liquidity position and future cash flow needs;
- Trend of dividends paid in the past years by the Company;
- Payout ratios of comparable companies;
- Industry outlook and stage of business cycle for underlying businesses
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Loan repayment and working capital requirements;
- Financial commitments with respect to the outstanding borrowings and interest thereon.
- Other Corporate Action options (For ex. Bonus issue, Buy back of shares).
- Cost and availability of alternative sources of financing;
- Capital expenditure requirements considering the expansion and acquisition opportunities;
- Any windfall, extra-ordinary or abnormal gains made by the Company;
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

**6. UTILIZATION OF RETAINED EARNINGS:**

Retained earnings will be used for the Company's growth plans, expected capital adequacy/liquidity requirements, debt repayments and other contingencies.

**7. REVIEW:**

The Board is authorized to review/amend this policy from time to time at its sole discretion and/or subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time.

**8. DISCLOSURES:**

The Dividend Distribution Policy (as amended from time to time) will be available on the website of the Company ([www.mas.co.in](http://www.mas.co.in)) and web-link shall also be provided in the Company's Annual Report of the Company as required by the Regulations in force from time to time.

**9. REPORTS**

The Company shall prepare a report that is to be furnished within a fortnight after declaration of dividend to the Regional Office of the Department of Supervision of the Reserve Bank. The format of the Report shall be the format prescribed hereunder.

Details of dividend declared during the financial year

Name of the NBFC – \_\_\_\_\_

| Accounting period * | Net profit for the accounting period (₹ crore) | Rate of dividend (per cent) | Amount of dividend (₹ crore) | Dividend Payout ratio (per cent) |
|---------------------|--|-----------------------------|------------------------------|----------------------------------|
|---------------------|--|-----------------------------|------------------------------|----------------------------------|

\_\_\_\_\_

\_\_\_\_\_

\* quarter or half year or year ended – as the case may be



## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

### 1. BRIEF OUTLINE ON THE CSR POLICY OF THE COMPANY:

Corporate Social Responsibility (CSR) represents an organization's ethical obligation and commitment to contribute positively to the society and environment in which it operates. It goes beyond profit-making to embrace sustainable practices that support social equity, environmental stewardship, and inclusive economic development.

MAS Financial Services Limited has always, been actively involved in various Corporate Social Responsibility (CSR) activities. We are committed to making a difference by placing priority on giving back to our community and believe that businesses can only be successful when they are engaged in making the world a better place. We are dedicated to operating responsibly and transparently, ensuring that our actions generate positive outcomes for society while aligning with our core values and business objectives. Our CSR initiatives focus primarily on education and community welfare, where we believe our efforts can create lasting impact and foster sustainable development.

During the year under review, MAS Financial Services Limited undertook a diverse range of CSR activities aimed at enhancing educational opportunities and improving the quality of life in the communities we engage with. These initiatives include support for educational infrastructure, scholarships, awareness programs, health camps, and other welfare activities.

### 2. COMPOSITION OF CSR COMMITTEE:

The Company's CSR Committee consists of one Executive Director and two Independent Directors of the Company, and is chaired by an Independent Director. The composition of the Committee is set out below:

| Sr. No. | Name of the Directors    | 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. Narayanan Sadanandan | Independent Director                 | Chairman | 2  | 1*   |
| 2       | Mrs. Darshana Pandya     | Director & CEO                       | Member   | 2  | 2  |
| 3       | Mr. Umesh Shah           | Independent Director                 | Member   | 2  | 2  |

\*Mr. Naryanan Sadanandan was appointed as the Chairman of the Committee effective from January 29, 2025.

### 3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

The Composition of CSR committee, Company's CSR policy and CSR projects are available on website of the Company

Composition of CSR Committee : <https://mas.co.in/ConstitutionofCSRCommittee.aspx>

Company's CSR Policy : <https://mas.co.in/policy.aspx>

CSR Projects' : <https://mas.co.in/CSRProjects.aspx>

### 4. DETAILS 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

### 5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY:

Not Applicable

6. Average Net Profit of the Company as per Section 135(5): ₹ 2,66,48,73,744/-
7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 5,32,97,475/-
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: NIL
- (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 5,32,97,475/-

8. (a) Details of CSR amount spent or unspent for the financial year:

| 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 (in ₹)   | Date of Transfer | Name of Fund  | Amount (in ₹) | Date of Transfer |
| 2,79,90,328                                       | 2,53,07,147   | April 28, 2025   | -   | -             | -                |

(b) Details of CSR amount spent against Ongoing Projects for the financial year:

| 1       | 2  | 3  | 4                    | 5                       |                            | 6                | 7   | 8   | 9  | 10                                       | 11   |                         |
|---------|--|--|----------------------|-------------------------|----------------------------|------------------|---|---|--|--|--|-------------------------|
| Sr. No. | Name of the Project                                      | Item from the list of activities in Schedule VII to the Act.                     | Local Area (Yes/ No) | Location of the Project |                            | Project Duration | Amount allocated for the project (in ₹ Approx.) | Amount spent in the current financial Year (in ₹) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹) | Mode of Implementation – Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                         |
|         |  |  |                      | State                   | District                   |                  |   |   |  |  | Name   | CSR Registration Number |
| 1.      | “SHIKSHA PROTSAHAN” - PROMOTING EDUCATION IN RURAL AREAS | Education  | Yes                  | Gujarat                 | Rural locations of Gujarat | 3 Years          | 3,76,78,936                                     | 1,86,98,576                                       | 1,89,80,360.25   | Yes                                      | NA   |                         |
| 2.      | “AROGYA ABHIYAN” - MEDICAL FACILITY TO NEEDY PEOPLE      | Health   | Yes                  | Gujarat                 | Ahmedabad                  | 1-3 Years        | 56,04,563.70                                    | 30,73,849   | 25,30,714.70   | Yes                                      | NA   |                         |
| 3.      | DONATION TO ARMY OFFICIALS                               | Benefit of armed forces veterans, war widows and their dependents                | Yes                  | Gujarat                 | Ahmedabad                  | 1-3 Years        | 45,55,131.70                                    | 20,24,417   | 25,30,714.70   | Yes                                      | NA   |                         |
| 4.      | Providing of Sanitary napkins                            | To the females of villages surrounding Ahmedabad                                 | Yes                  | Gujarat                 | Rural locations of Gujarat | 1-3 Years        | 2,69,414  | 16,343  | 2,53,071.47  | Yes                                      | NA   |                         |
| 5.      | Food grain distribution                                  | Food grain distribution to the needy people in the surrounding area of Ahmedabad | Yes                  | Gujarat                 | Rural locations of Gujarat | 1-3 Years        | 46,32,984                                       | 36,20,698   | 1012285.88   | Yes                                      | NA   |                         |
| TOTAL   |  |  |                      |                         |                            |                  | 5,27,41,030                                     | 2,74,33,883                                       | 2,53,07,147  |  |  |                         |

**(c) Details of CSR amount spent against other than Ongoing Projects for the financial year:**

| (1)          | (2)                  | (3)   | (4)                 | (5)                     |           | (6)                                 | (7)                                      | (8)  |
|--------------|----------------------|---|---------------------|-------------------------|-----------|-------------------------------------|--|--|
| Sr. No.      | Name of the Project  | Item from the list of activities in Schedule VII to the Act | Local Area (Yes/No) | Location of the Project |           | Amount spent for the project (in ₹) | Mode of Implementation – Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |
|              |                      |   |                     | State                   | District  |                                     |  | Name   |
| 1.           | Donation to Gaushala |   | Yes                 | Gujarat                 | Ahmedabad | 5,00,000                            | Yes                                      | Not Applicable                                       |
| <b>TOTAL</b> |                      |   |                     |                         |           | <b>5,00,000</b>                     |  |  |

**(d) Amount spent in Administrative Overheads** : ₹ 56,445/-

**(e) Amount spent on Impact Assessment, if applicable** : NA

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)** : ₹ 2,79,90,328/-

**(g) Excess amount for set-off, if any** : NA

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

| Sr. No.      | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. |               |                  | Amount remaining to be spent in succeeding financial years (in ₹) |
|--------------|--------------------------|--|---|--|---------------|------------------|---|
|              |                          |  |   | Name of the Fund   | Amount (in ₹) | Date of Transfer |   |
| 1.           | 2023-24                  | 4,09,27,753  | 0.00  | -  | -             | -                | 4,09,27,753   |
| 2.           | 2022-23                  | 3,98,18,497  | 1,52,40,216.60                                      | -  | -             | -                | 2,30,30,897.40  |
| 3.           | 2021-22                  | 3,98,86,563  | 1,89,66,618   | -  | -             | -                | 0.00  |
| <b>TOTAL</b> |                          | <b>12,06,32,813</b>  | <b>3,42,06,834.6</b>                                | -  | -             | -                | <b>6,39,58,650.4</b>  |

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

| (1)     | (2)            | (3)  | (4)   | (5)              | (6)   | (7)  | (8)   | (9)  |
|---------|----------------|--|---|------------------|---|--|---|--|
| Sr. No. | Project ID     | Name of the Project                                      | Financial Year in which the project was commenced | Project Duration | Total amount allocated for the project (in ₹ Crore) | Amount spent on the project in the reporting Financial Year (in ₹) | Cumulative amount spent at the end of reporting Financial Year (in ₹) | Status of the project - Completed / Ongoing. |
|         | FY31.03.2024_1 | "SHIKSHA PROTSAHAN" - PROMOTING EDUCATION IN RURAL AREAS | 2023-24   | 3 Years          | Approx. 3.51  | 0.00   | 0.00  | Ongoing                                      |
|         | FY31.03.2024_2 | "AROGYA ABHIYAN" - MEDICAL FACILITY TO NEEDY PEOPLE      | 2023-24   | 1-3 Years        | Approx. 0.4   | 0.00   | 0.00  | Ongoing                                      |
|         | FY31.03.2024_3 | GRAIN DISTRIBUTION                                       | 2023-24   | 1-3 Years        | Approx. 0.52  | 0.00   | 0.00  | Ongoing                                      |
|         | FY31.03.2023_1 | "SHIKSHA PROTSAHAN" - PROMOTING EDUCATION IN RURAL AREAS | 2022-23   | 3 Years          | Approx 3.35   | 1,22,72,974  | 1,37,85,261   | Ongoing                                      |
|         | FY31.03.2023_2 | "AROGYA ABHIYAN" - MEDICAL FACILITY TO NEEDY PEOPLE      | 2022-23   | 1-3 Years        | Approx 0.84   | 29,12,642.6  | 29,37,642.6   | Ongoing                                      |



| (1)<br>Sr. No. | (2)<br>Project ID | (3)<br>Name of the Project                               | (4)<br>Financial Year in which the project was commenced | (5)<br>Project Duration | (6)<br>Total amount allocated for the project (in ₹ Crore) | (7)<br>Amount spent on the project in the reporting Financial Year (in ₹) | (8)<br>Cumulative amount spent at the end of reporting Financial Year (in ₹) | (9)<br>Status of the project - Completed / Ongoing. |
|----------------|-------------------|--|--|-------------------------|--|---|--|---|
|                | FY31.03.2023_3    | GRAIN DISTRIBUTION                                       | 2022-23  | 1-3 Years               | Approx 0.05  | 54,600  | 64,696   | Ongoing   |
|                | FY31.03.2022_1    | "SHIKSHA PROTSAHAN" - PROMOTING EDUCATION IN RURAL AREAS | 2021-22  | 3 Years                 | Approx. 2.44   | 1,47,73,688.45  | 2,42,47,662.45   | Completed   |
|                | FY31.03.2022_1    | "AROGYA ABHIYAN" - MEDICAL FACILITY TO NEEDY PEOPLE      | 2021-22  | 1-3 Years               | Approx. 1.5  | 2,01,475.06   | 1,49,89,464.06   | Completed   |
|                | FY31.03.2022_1    | MAS "KHEL PROTSAHAN ABHIYAN"                             | 2021-22  | 1-3 Years               | Approx. 0.48   | 39,91,454.49  | 48,49,532.49   | Completed   |

#### 10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET-WISE DETAILS): NA

- Date of creation or acquisition of capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

#### 11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):

At MAS Financial Services Limited, our Corporate Social Responsibility (CSR) approach is deeply rooted in creating meaningful and lasting impact. We believe that for CSR initiatives to truly transform communities, they must be thoughtfully designed, closely monitored, and implemented with care.

In line with this belief, the Company has chosen to implement CSR activities directly, enabling closer engagement with beneficiaries and ensuring that resources reach the intended communities effectively. While this approach often involves longer timelines for planning and execution, it allows us to maintain quality, relevance, and transparency throughout the process.

During the year, a portion of the CSR funds remained unspent—primarily due to the ongoing nature of certain multi-year projects. These initiatives, which include efforts in education, rural infrastructure development (such as construction of community sheds), and the provision of sanitation and hygiene facilities in underserved areas, are progressing as per phased plans. We have also identified several other projects that align with our long-term objectives in areas such as health, education, and rural welfare.

All unspent amounts have been earmarked for specific projects, in line with our CSR policy and statutory provisions. These funds are committed to initiatives that require a sustained, long-term approach, and we are confident that they will be utilized efficiently and responsibly over the project lifecycle.

MAS Financial Services Limited has a strong history of social engagement and community development. Looking ahead, we aim to enhance the scale and depth of our CSR efforts, with a particular focus on rural empowerment, student support, and essential public health infrastructure. We remain fully committed to fulfilling the prescribed CSR obligations under the Companies Act, 2013 and are taking proactive steps to ensure timely and effective deployment of all earmarked funds.

While the nature of our direct, hands-on implementation may require additional time, it reflects our sincere commitment to creating measurable, last-mile impact in the communities that need it the most.

Sd/-

**Mr. Narayanan Sadanandan**

Independent Director

Chairman of CSR Committee

DIN: 07263104

Sd/-

**Mrs. Darshana Pandya**

Director & CEO

Member of CSR Committee

DIN: 07610402

Date : July 23, 2025

Place : Ahmedabad

## ANNEXURE - F

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries /associate companies/joint ventures

## PART "A": SUBSIDIARIES

Details of Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

## 1. Number of subsidiaries – 2 (Two)

| Sr. No. | Particulars   | Block -1   | Block - 2  |
|---------|---|--|--|
| 1       | CIN/ any other registration number of subsidiary company  | U74900GJ2007PLC051383                                      | U66000GJ2022PTC134562                                |
| 2       | Name of the subsidiary  | MAS RURAL HOUSING & MORTGAGE FINANCE LIMITED               | MASFIN INSURANCE BROKING PRIVATE LIMITED             |
| 3       | Date since when subsidiary was acquired   | 10/10/2007   | 05/08/2022   |
| 4       | Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/ Section 2(87)(ii))                        | Section 2(87)(ii)  | Section 2(87)(ii)                                    |
| 5       | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                       | Financial Year 2024-2025 (01.04.2024 to 31.03.2025)        | Financial Year 2024-2025 (01.04.2024 to 31.03.2025)  |
| 6       | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:- | Not Applicable   | Not Applicable                                       |
| 7       | Share capital   | Authorised: ₹ 45,00,00,000/-<br>Paid up : ₹ 41,11,00,410/- | Authorised: ₹ 50,00,000/-<br>Paid up : ₹ 50,00,000/- |
| 8       | Reserves & surplus  | ₹ 1,00,06,29,127   | ₹ -32,38,971   |
| 9       | Total assets  | ₹ 6,11,02,20,039   | ₹ 18,30,821  |
| 10      | Total Liabilities   | ₹ 4,69,84,90,500   | ₹ 68,900   |
| 11      | Investments   | ₹ 8,88,74,299  | NIL  |
| 12      | Turnover  | ₹ 78,77,37,709   | NIL  |
| 13      | Profit before taxation  | ₹ 12,08,68,438   | ₹ -23,60,143   |
| 14      | Provision for taxation  | ₹ 2,52,56,402  | NIL  |
| 15      | Profit after taxation   | ₹ 9,56,12,036  | ₹ -23,60,143   |
| 16      | Proposed Dividend   | ₹ 1,19,06,288.89   | NIL  |
| 17      | % of shareholding   | 62.02%   | 69.00%   |

## 2. Number of subsidiaries which are yet to commence operations – 1 (one)

| Sr. No. | CIN /any other registration number | Names of subsidiaries which are yet to commence operations |
|---------|------------------------------------|--|
| 1       | U66000GJ2022PTC134562              | MASFIN INSURANCE BROKING PRIVATE LIMITED                   |

## 3. Number of subsidiaries which have been liquidated or have ceased to be a subsidiary during the year- Nil

| Sr. No. | CIN /any other registration number | Names of subsidiaries which are yet to commence operations |
|---------|------------------------------------|--|
|         |                                    | NIL  |



## PART “B”: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

### 4. Number of Associate / Joint Venture - NIL

| Sr. No. | Block -1   | Details |
|---------|--|---------|
| 1       | Name of Associate/Joint Venture  | N.A.    |
| 2       | Latest audited Balance Sheet Date  | N.A.    |
| 3       | Date on which the Associate or Joint Venture was associated or acquired    | N.A.    |
| 4       | Shares of Associate/Joint Ventures held by the company on the year end     | N.A.    |
| A       | Number   | N.A.    |
| B       | Amount of Investment in Associates/Joint Venture                           | N.A.    |
| C       | Extent of Holding %  | N.A.    |
| 5       | Description of how there is significant influence                          |         |
| 6       | Reason why the associate/joint venture is not consolidated                 | N.A.    |
| 7       | Net worth attributable to Shareholding as per latest audited Balance Sheet | N.A.    |
| 8       | Profit / Loss for the year   | N.A.    |
| A       | Considered in Consolidation  | N.A.    |
| B       | Not Considered in Consolidation  | N.A.    |

### 5. Number of associates or joint ventures which are yet to commence operations – N.A.

| Sr. No. | CIN /any other registration number | Names of Associates and Joint Ventures which are yet to commence operations |
|---------|------------------------------------|---|
|         |                                    | N.A.  |

### 6. Number of associates or joint ventures which have been liquidated or have ceased to be associate or joint venture during the year- N.A.

| Sr. No. | CIN /any other registration number | Names of Associates and Joint Ventures |
|---------|------------------------------------|--|
|         |                                    | N.A.                                   |

For and on behalf of the Board of Directors of  
MAS FINANCIAL SERVICES LIMITED

**Kamlesh C. Gandhi**

Chairman and Managing Director  
(DIN: 00044852)

**Darshana Pandya**

Whole-Time Director & CEO  
(DIN: 07610402)

**Ankit Jain**

(Chief Financial Officer)

**Riddhi B. Bhayani**

Company Secretary & Chief Compliance Officer  
Membership No.: A41206

Date : July 23, 2025

Place : Ahmedabad

## ANNEXURE - G

**PARTICULARS OF EMPLOYEES (PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED)**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules made there under:

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

1. The ratio of remuneration of each director to the median remuneration of employees of the Company for the financial year 2024-25:

| Sr. No. | Name                     | Designation                                     | Nature of Payment | Ratio against median employee's remuneration |
|---------|--------------------------|---|-------------------|--|
| 1.      | Mr. Kamlesh Gandhi       | Chairman and Managing Director                  | Remuneration      | 169.85 : 1                                   |
| 2.      | Mrs. Darshana Pandya     | Whole-Time Director and Chief Executive Officer | Remuneration      | 28.08 : 1                                    |
| 3.      | Mr. Dhvanil Gandhi       | Whole-Time Director                             | Remuneration      | 12.96 : 1                                    |
| 4.      | Mr. Umesh Shah           | Independent Director                            | Sitting Fees      | 2.18 : 1                                     |
| 5.      | Mrs. Daksha Shah         | Woman Independent Director                      | Sitting Fees      | 1.67 : 1                                     |
| 6.      | Mr. Narayanan Sadanandan | Independent Director                            | Sitting Fees      | 1.90 : 1                                     |
| 7.      | Mr. Vishal Vasu          | Independent Director                            | Sitting Fees      | 0.84 : 1                                     |
| 8.      | Dr. Barnali Chaklader    | Woman Independent Director                      | Sitting Fees      | 0.00 : 1                                     |

2. The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2024-25:

| Sr. No. | Name                     | Designation                                     | Nature of Payment | Percentage Increase / decrease over previous year |
|---------|--------------------------|---|-------------------|---|
| 1.      | Mr. Kamlesh Gandhi       | Chairman and Managing Director                  | Remuneration      | 20.51%  |
| 2.      | Mrs. Darshana Pandya     | Whole-Time Director and Chief Executive Officer | Remuneration      | 43.87%  |
| 3.      | Mr. Dhvanil Gandhi       | Whole-time Director                             | Remuneration      | 51.13%  |
| 4.      | Mr. Umesh Shah           | Independent Director                            | Sitting Fees      | Nil #   |
| 5.      | Mrs. Daksha Shah         | Woman Independent Director                      | Sitting Fees      | Nil #   |
| 6.      | Mr. Narayanan Sadanandan | Independent Director                            | Sitting Fees      | Nil #   |
| 7.      | Mr. Vishal Vasu          | Independent Director                            | Sitting Fees      | Nil #   |
| 8.      | Dr. Barnali Chaklader    | Woman Independent Director                      | Sitting Fees      | Nil #   |
| 9.      | Ms. Riddhi Bhayani       | Company Secretary and Chief Compliance Officer  | Remuneration      | 17.75%  |
| 10.     | Mr. Ankit Jain           | Chief Financial Officer                         | Remuneration      | 18.88%  |

#Independent Directors are paid fixed sitting fees for every meeting attended, amount of the same is not changed during the year.

3. The percentage increase in the median remuneration of employees in the financial year. The median remuneration of employees was increased by 10.29% over previous year.

4. The number of permanent employees on the roll of the Company: 1758 Employees

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The Average salaries of the employees of the Company increased by 13.62% while the Managerial remuneration increased by 24.31% in the current year. Annual increments, if any, are decided by the Nomination and Remuneration Committee within the salary scale approved by the members and are effective from April 1, of each year.

**Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

FOR, MAS FINANCIAL SERVICES LIMITED

Date: July 23, 2025  
Place: Ahmedabad

**Kamlesh C. Gandhi**  
Chairman & Managing Director  
(DIN: 00044852)

# Management Discussion & Analysis

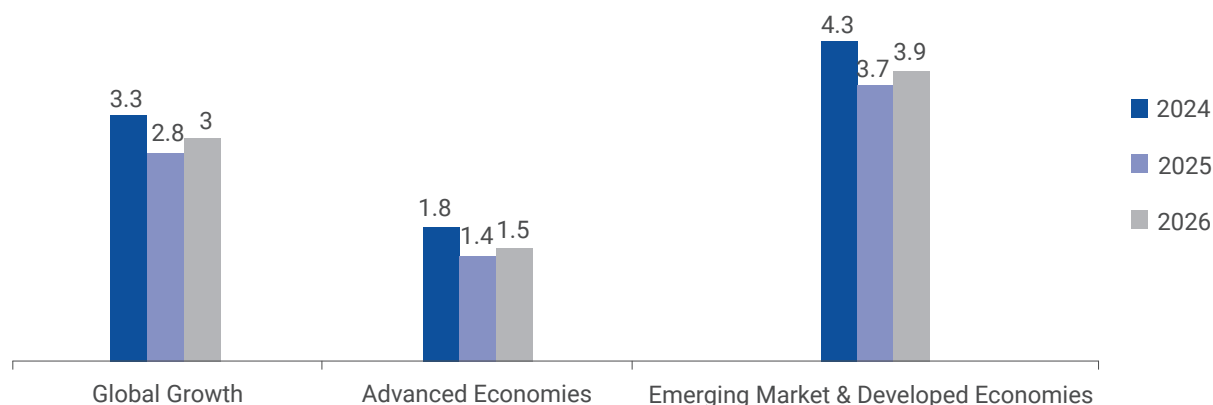
## ECONOMIC OVERVIEW

### Global Economy

The global economic landscape in FY2025 has entered a period of heightened uncertainty, shaped by shifting policy priorities, intensified trade tensions, and a fragile recovery

from recent global shocks. According to the International Monetary Fund's *World Economic Outlook (April 2025)*, titled "A Critical Juncture amid Policy Shifts", the global economy faces a challenging road ahead.

### World Economic Outlook (April 2025) Real GDP Growth Projections (% change))



Following a brief phase of stabilization, global growth is projected to decelerate to **2.8% in 2025**, a notable downgrade from earlier forecasts and well below the historical average of 3.7% (2000–2019). This revision stems primarily from sweeping tariff measures introduced by the United States and retaliatory actions by its trading partners. Such developments have not only introduced fresh obstacles to trade and investment flows but also heightened the unpredictability of policy directions. The OECD's Economic Outlook (June 2025) observed that GDP growth in the United States is projected to decline from 2.8% in 2024 to 1.6% in 2025 and 1.5% in 2026. In the euro area, growth is projected to strengthen modestly from 0.8% in 2024 to 1.0% in 2025 and 1.2% in 2026. China's growth is projected to moderate from 5.0% in 2024 to 4.7% in 2025 and 4.3% in 2026. Inflationary pressures have resurfaced in some economies. Higher trade costs in countries raising tariffs are expected to push inflation up further, although the impact will be partially offset by weaker commodity prices. Annual headline inflation in the G20 economies is collectively expected to moderate from 6.2% to 3.6% in 2025 and 3.2% in 2026.

Risks to this outlook remain tilted to the downside. Escalating geopolitical tensions, financial market volatility, and weakening international development support could disproportionately impact developing economies, including

those reliant on external credit to drive growth and social development.

At this critical juncture, the IMF underscores the need for globally coordinated policy responses that balance internal stability with cross-border cooperation. For India and its vibrant financial ecosystem this global backdrop reinforces the need for resilience, prudent credit deployment, and continued focus on financial inclusion to navigate the evolving environment effectively.

### Indian Economy

In the face of persistent global uncertainties and escalating geopolitical tensions, the Indian economy has continued to demonstrate resilience and dynamism. According to the Reserve Bank of India's March 2025 bulletin, India's macroeconomic fundamentals remain strong, buoyed by domestic demand, policy stability, and structural reforms.

### Steady GDP Growth with Broad-Based Recovery

India's GDP is projected to grow at a robust 6.5% in FY 2024–25, driven by broad-based momentum in consumption, investment, and public spending. Key sectors such as construction, trade, and financial services continued to lead the recovery, reflecting the sustained impact of infrastructure push and credit-led expansion.

## India's Annual GDP Growth (%)



**Note:** Figure for FY 2023-24 and FY 2024-25 are as per the First Revised Estimates; Estimate for FY 2025-26 is as per RBI Issues April 2025 Policy Update.

### Moderation in Inflation and Liquidity Stability

Consumer price inflation eased to a seven-month low of 3.6% in February 2025, largely due to a decline in vegetable prices. However, core inflation remained slightly elevated at 4.1%, underscoring underlying price pressures in non-food segments. Continued monetary and fiscal measures have helped ensure adequate market liquidity and support economic activity.

### External Sector and Currency Dynamics

Despite a volatile global environment, India's external sector has remained stable. Nonetheless, sustained foreign portfolio investor (FPI) outflows have exerted pressure on capital markets and the rupee. While domestic investors have stepped in to provide stability, currency depreciation remains a risk that warrants close monitoring.

### Employment and Labour Market Conditions

Employment generation has shown notable improvement, particularly in manufacturing and services. The manufacturing sector posted its second-fastest job growth since the inception of the PMI survey, while services also reported healthy expansion in employment, reflecting robust demand conditions. Urban unemployment declined to a historic low of 6.4%, reinforcing confidence in the domestic growth story.

### India's Global Economic Standing

India's economic ascent continues at a remarkable pace. With a GDP of USD 4.3 trillion by the end of FY 2024-25—just behind Japan's USD 4.4 trillion—India is poised to become the fourth-largest economy globally in the coming months. With sustained growth, India is projected to surpass Germany (GDP: USD 4.9 trillion) by 2027, securing its position as the third-largest economy in the world. However, India has a

long way to go, lagging far behind China's GDP of USD 19.5 trillion for 2025.

### Liquidity and Financial Markets

During FY 2024-25, liquidity conditions in the Indian financial system saw a marked improvement following timely interventions by the Reserve Bank of India and higher government spending. These actions helped to stabilise short-term borrowing costs across the banking and corporate debt markets. The RBI's proactive stance, including a 25 basis point reduction in the policy repo rate to 6.0% in April 2025, reflects a calibrated approach to supporting economic recovery while maintaining price and financial stability. The central bank has reiterated its commitment to monitoring liquidity and market conditions, ensuring the continued resilience of India's financial system.

### Outlook

Looking ahead, the RBI's outlook for the Indian economy remains cautiously optimistic. In its April 2025 Monetary Policy Report, the central bank projected GDP growth at 6.5% for FY 2025-26, with inflation expected to stay within the 4% target band. Easing inflationary pressures, particularly in food prices, combined with the central bank's supportive policy stance, are expected to further stimulate consumption and investment. Nevertheless, the RBI highlighted certain risks, including global financial volatility, potential currency pressures, and persistent FPI outflows, which could impact markets and the rupee.

The UN, however, has revised India's economic growth forecast for 2025 downward to 6.3%. But despite a projected moderation, it expects that the country remains one of the fastest-growing large economies, supported by resilient consumption and government spending.



As India continues on its growth trajectory, the country is set to consolidate its position as one of the world's leading economies, presenting opportunities for sustainable growth across sectors—including the financial services landscape in which MAS operates.

## INDUSTRY OVERVIEW

### Financial Services Industry

India's financial services industry continues to serve as a key pillar of the country's economic progress, marked by strong regulatory oversight, rising financial inclusion, and increasing adoption of digital solutions. Spanning a wide range of participants—including banks, NBFCs, insurance companies, mutual funds, and fintech platforms—the sector has evolved rapidly, catering to a growing and increasingly diverse customer base.

A notable trend driving this evolution is the steady expansion of credit across segments. Demand for financing remains strong, particularly from Micro, Small and Medium Enterprises (MSMEs), first-time homebuyers, and vehicle owners—segments that are vital to economic development and employment generation. NBFCs continue to play a pivotal role in serving these underserved and emerging segments, offering customized financial products and last-mile delivery.

The rapid rise of fintech and digital finance is transforming how financial services are accessed and delivered, bringing millions into the fold of formal finance. At the same time, traditional players are evolving through innovation and strategic partnerships. Regulatory bodies such as the Reserve Bank of India (RBI), SEBI, and IRDAI continue to play a pivotal role in strengthening governance, enhancing transparency, and fostering financial inclusion.

The growth of retail credit, including housing and vehicle finance, has been supported by rising income levels, urbanisation, and improved access to formal credit. Additionally, MSME lending has received a boost from policy initiatives aimed at improving liquidity, easing collateral norms, and enhancing credit guarantee mechanisms.

As the regulatory environment remains conducive and the credit appetite in tier-2 and tier-3 cities continues to grow, NBFCs are well-positioned to deepen their impact by bridging credit gaps and enabling inclusive, opportunity-led growth across the Indian economy.

### NBFCs in India

India's financial services landscape has undergone a transformative shift, with Non-Banking Financial Companies (NBFCs) playing an increasingly pivotal role in fostering credit access and financial inclusion. By addressing the gaps left by traditional banks, NBFCs have emerged as agile and innovative lenders, particularly in segments such as personal finance, vehicle loans, microloans, and SME funding. According to the Reserve Bank of India, NBFCs now account for nearly a quarter of total credit in the financial system—underscoring their growing relevance.

Retail loans have been at the forefront of this growth, driven by rising disposable incomes, evolving consumer aspirations, and increased awareness of credit availability. Home loans, personal loans, and vehicle financing dominate this segment, while categories like education and consumer durable loans are also witnessing momentum. In 2024 alone, the retail loan market expanded by approximately 18%, with demand especially strong in urban and semi-urban geographies. Digital platforms, faster loan processing, and models like Buy Now, Pay Later (BNPL) have made access to credit more seamless than ever.

Looking ahead to 2025, key themes will shape the sector's trajectory. Technology adoption—especially AI, ML, and blockchain—will enhance credit risk management and customer experience. Expansion into Tier-2 and Tier-3 cities will unlock new growth, as lenders tailor products and communication to regional needs. Regulatory developments, particularly co-lending frameworks and stricter compliance norms, are expected to improve sectoral resilience. Additionally, ESG-aligned lending and partnerships between NBFCs, fintechs, and banks will further diversify the sector's impact and outreach.

With analysts projecting a robust 15–20% CAGR and retail loans expected to cross ₹ 20 lakh crore in value, NBFCs are poised to be major contributors to India's consumption-led growth. Their ability to adapt swiftly and responsibly will be instrumental in achieving national financial inclusion goals, making 2025 a year of both opportunity and transformation. (Source: IANS)

### MSME Sector

The Micro, Small, and Medium Enterprises (MSME) sector continues to play a foundational role in India's economic landscape, contributing significantly to employment, exports, and industrial output. As of February 2025, over 5.93 crore MSMEs were registered on the Udyam Portal, providing livelihoods to more than 25 crore individuals and accounting for nearly 46% of India's total exports in FY24. Recognizing this impact, the Union Budget 2025–26 has introduced progressive measures aimed at strengthening and scaling the MSME ecosystem.

Key among these reforms is the upward revision of investment and turnover limits under the MSME classification. This change, expected to take effect from April 1, 2025, is designed to encourage growth and formalisation while ensuring continued access to government benefits such as priority sector lending, tax reliefs, and procurement preferences. Additionally, the government has expanded the credit guarantee cover, especially for micro-enterprises, export-focused MSMEs, and startups, further easing the path to capital access.

The launch of the Udyam Assist Platform marks a critical shift in formalising micro-enterprises and extending formal credit and policy benefits to businesses that had traditionally remained outside the formal sector. Moreover, targeted

interventions in labour-intensive sectors such as leather, toys, and footwear are expected to raise productivity and employment. (Source: PIB, msme.gov.in)

### Housing Finance

India's housing finance market is on a robust growth path, poised to more than double in the next five years—from ₹ 33 lakh crore (US\$ 378 billion) to ₹ 81 lakh crore (US\$ 928 billion), as per CareEdge Ratings. This trajectory is being shaped by a confluence of structural tailwinds, rising urban aspirations, and sustained policy impetus, making housing finance one of the most promising segments in the financial services landscape.

A notable trend shaping the sector is the shift towards higher-ticket housing loans, driven by premiumisation in India's real estate market. Homebuyers are increasingly opting for larger and more premium homes, leading to a rise in average loan sizes. HFCs that focus on semi-urban and underserved markets are well-positioned to tap into both affordable housing and mid-segment housing demand by aligning their offerings with evolving customer preferences.

Government initiatives such as the Pradhan Mantri Awas Yojana, interest subvention schemes, and regulatory support for affordable housing continue to play a catalytic role. Moreover, rapid urbanisation, increased financial awareness, and rising disposable incomes are creating a conducive environment for housing credit expansion.

### Automobiles

The Indian automobile industry remains a vital barometer of economic health, contributing significantly to both macroeconomic growth and technological innovation. Its close linkage with consumption trends, infrastructure expansion, and manufacturing output makes it a critical sector in India's development narrative. This sector also represents a key lending opportunity, particularly in vehicle financing for two-wheelers, commercial vehicles, and rural mobility solutions.

The two-wheeler segment continues to lead the market in terms of volume, driven by rising income levels, a youthful population, and increasing demand for personal mobility across both urban and rural areas. Rural market penetration has further strengthened this trend, supported by targeted financing solutions and distribution strategies. NBFCs with a strong rural and semi-urban presence, remain well-positioned to cater to this growing demand through tailored financing products.

Meanwhile, commercial vehicle demand is gaining momentum on the back of growing logistics, infrastructure, and passenger transportation needs. With India aiming to boost domestic manufacturing and build world-class logistics networks, the commercial vehicle segment is expected to see sustained growth.

Looking ahead, electrification is emerging as a defining trend, particularly in three-wheelers and small passenger vehicles. The government's EV-friendly policies, expanding charging infrastructure, and rising environmental consciousness are reshaping the landscape. These changes open up new avenues for financing models, especially in last-mile mobility solutions.

India continues to maintain a robust global presence in the heavy vehicles space, being the world's largest tractor producer, second-largest bus manufacturer, and third-largest manufacturer of heavy trucks.

In FY2024-25, India produced 31 million vehicles across passenger vehicles, two- and three-wheelers, and quadricycles compared to 28.4 million in the previous year.

Recent sales figures from SIAM paint a positive picture. Total domestic vehicle sales witnessed a 7.33% increase in FY25, to reach 25.6 million units. Two-wheelers experienced significant growth, climbing by 9%.

### Domestic Sales Trends

| Category            | 2019-20            | 2020-21            | 2021-22            | 2022-23            | 2023-24            | 2024-25            |
|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Passenger Vehicles  | 27,73,519          | 27,11,457          | 30,69,523          | 38,90,114          | 42,18,750          | 43,01,848          |
| Commercial Vehicles | 7,17,593           | 5,68,559           | 7,16,566           | 9,62,468           | 9,68,770           | 9,56,671           |
| Three Wheelers      | 6,37,065           | 2,19,446           | 2,61,385           | 4,88,768           | 6,94,801           | 7,41,420           |
| Two Wheelers        | 1,74,16,432        | 1,51,20,783        | 1,35,70,008        | 1,58,62,771        | 1,79,74,365        | 1,96,07,332        |
| Quadricycles        | 942                | -12                | 124                | 725                | 725                | 120                |
| <b>Grand Total</b>  | <b>2,15,45,551</b> | <b>1,86,20,233</b> | <b>1,76,17,606</b> | <b>2,12,04,846</b> | <b>2,38,57,411</b> | <b>2,56,07,391</b> |

Source: SIAM

## Export Trends

| Category            | 2019-20          | 2020-21          | 2021-22          | 2022-23          | 2023-24          | 2024-25          |
|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Passenger Vehicles  | 6,62,118         | 4,04,397         | 5,77,875         | 6,62,891         | 6,72,105         | 7,70,364         |
| Commercial Vehicles | 60,379           | 50,334           | 92,297           | 78,645           | 65,818           | 80,986           |
| Three Wheelers      | 5,01,651         | 3,93,001         | 4,99,730         | 3,65,549         | 2,99,977         | 3,06,914         |
| Two Wheelers        | 35,19,405        | 32,82,786        | 44,43,131        | 36,52,122        | 34,58,416        | 41,98,403        |
| Quadracycles        | 5,185            | 3,529            | 4,326            | 2,280            | 4,178            | 6,422            |
| <b>Grand Total</b>  | <b>47,48,738</b> | <b>41,34,047</b> | <b>56,17,359</b> | <b>47,61,487</b> | <b>45,00,494</b> | <b>53,63,089</b> |

Source: SIAM

According to SIAM, all segments of the industry are expected to continue with the growth momentum in FY 2025–26, building on the robust performance of recent years due to stable macroeconomic conditions, proactive policies, and infrastructure spending by the government. A normal monsoon in 2025 is expected to support broader economic activity, especially in rural and semi-urban regions, which would be a tailwind for auto sector demand. The sector will also benefit from the reforms in the personal income tax announced in the recent Union Budget of 2025-26, which has been followed by two back-to-back rate cuts by RBI. These measures would help in creating demand by increased accessibility of vehicle financing.

## COMPANY OVERVIEW

MAS Financial Services Limited (MAS) is a specialized Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India, founded in 1995 with a mission to serve the credit needs of the underserved and unbanked sections of society. Headquartered in Ahmedabad, MAS has consistently pursued financial inclusion through efficient and scalable credit delivery across urban, semi-urban, and rural India.

With three decades of experience, MAS has developed a robust and diversified lending platform tailored to the needs of lower and middle-income segments. Its product offerings include Micro Enterprise Loans, SME Loans, Two-Wheeler Loans, Commercial Vehicle Loans, Salaried Personal Loans, and Housing Loans through its subsidiary, MAS Rural Housing & Mortgage Finance Ltd. (MRHMFL).

### Distribution Network

The Company operates through a well-established distribution model comprising 204 direct branches and 200 active NBFC partnerships, reaching over 9.25 lakh active loan accounts across 14,500+ customer locations in 13 states and union territories. This hybrid model of direct and partner-led distribution allows MAS to offer last-mile credit delivery while maintaining lean operations and ensuring risk diversification.

### Partnerships with Various NBFCs

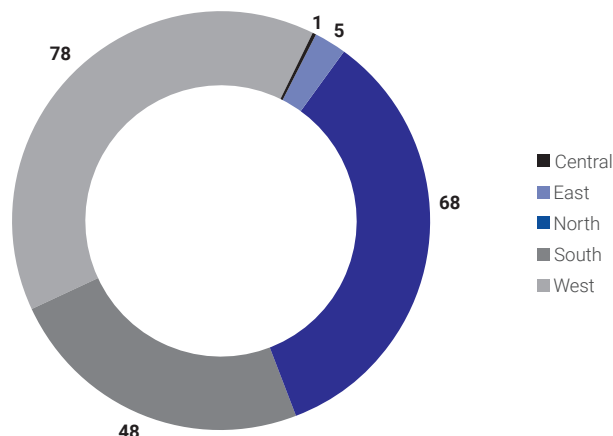
MAS has strategically built deep relationships with its partner NBFCs and MFIs, offering capital, operational expertise,

and shared responsibility for credit risk. This partner-driven sourcing framework helps MAS reach remote geographies and scale its business sustainably without over-relying on any one partner.

As on March 31, 2025, MAS had active partnership with 200 NBFC/MFIs. The company had 552 sourcing intermediaries for its Commercial Vehicle Loan Segment and 135 for Two Wheeler Loans.

MAS remains committed to its vision of being one of the most efficient distributors of financial services and continues to innovate across credit, technology, and operational processes to enhance reach and improve customer experience.

### Region wise NBFCs and NBFC-MFI Partners - FY 2024-25



## BUSINESS PERFORMANCE

### Business Performance

MAS Financial Services continues to offer a broad spectrum of financial products tailored to the diverse needs of India's underserved and underbanked low- and middle-income population. Through a well-calibrated mix of credit solutions, the Company remains focused on enabling entrepreneurship, supporting livelihoods, and promoting financial inclusion across urban, semi-urban, and rural geographies.

As on March 31, 2025, MAS had a total AUM of ₹ 12,100 Crore, with micro-enterprise and SME loans accounting for the majority of its portfolio. The Company has maintained strong

asset quality with net Stage 3 assets at 1.62%, supported by rigorous credit underwriting and risk management systems. Its capital adequacy ratio stood at a healthy 24.72%, with Tier-I capital at 22.58%.

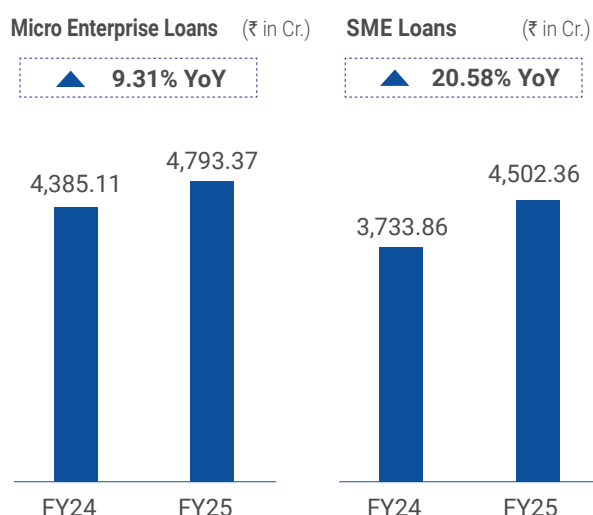
### Micro Enterprise Loans (MEL)

Micro Enterprise Loans remain a core offering for MAS, serving over 190 business categories including retailers, small manufacturers, service providers, and local traders. These loans typically range from ₹ 0.50 lakh to ₹ 10 lakh and are aimed at supporting income-generating activities in the informal and semi-formal economy. During FY 2024–25, MAS disbursed a total of ₹ 5,125.28 crore in MEL loans. As of March 31, 2025, the MEL portfolio had grown to ₹ 4,793.37 crore in AUM, reflecting a year-on-year growth of 9.31% over the same period last year.

### Small and Medium Enterprise (SME) Loans

The SME loan segment supports business expansion and working capital needs for small and medium-sized enterprises engaged in manufacturing, trading, and services. These loans, with ticket sizes ranging from ₹ 10 lakh to ₹ 5 crore, are typically used for acquiring machinery, industrial properties, or financing operational cycles. During FY 2024–25, MAS disbursed a total of ₹ 4,227.72 crore in SME loans. As of March 31, 2025, SME loan AUM stood at ₹ 4,502.36 crore, marking a robust 20.58% year-on-year growth.

### Asset Under Management – by Product Category Mar 25 vs. Mar 24



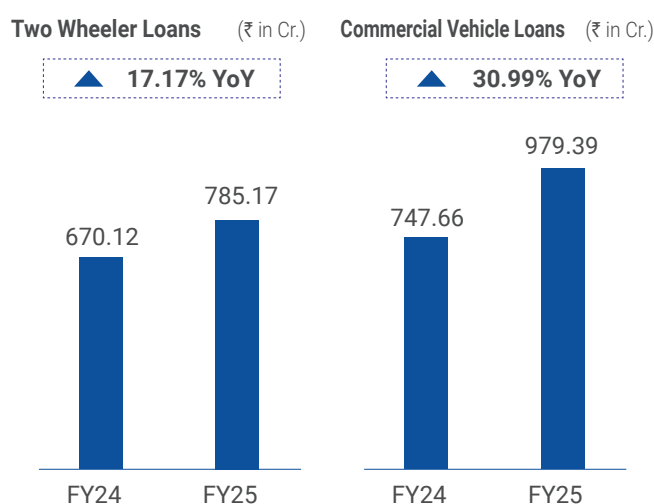
### TWO-WHEELER AND COMMERCIAL VEHICLE LOANS (WHEELS PORTFOLIO)

The Wheels Portfolio of MAS Financial Services, comprising Two-Wheeler and Commercial Vehicle Loans, continues to support mobility and livelihood creation across the economic spectrum, particularly in underserved regions.

### Two-Wheeler Loans

MAS provides two-wheeler loans to a diverse set of borrowers including farmers, small business owners, professionals, and salaried individuals. These loans cater primarily to customers in semi-urban and rural geographies and typically range from ₹ 25,000 to ₹ 1.50 lakh. Two-wheeler finance plays a crucial role in improving last-mile connectivity and enabling income-generating opportunities. During FY 2024–25, MAS disbursed a total of ₹ 665.80 crore in Two-Wheeler Loans. The total AUM for this segment as on March 31, 2025 stood at ₹ 785.17 crore, compared to ₹ 670.12 crore in the previous year.

### Asset Under Management – by Product Category Mar 25 vs. Mar 24



### Commercial Vehicle Loans

MAS provides commercial vehicle loans majorly for used vehicles with ticket sizes ranging from ₹ 1 lakh to ₹ 15 lakh. These loans enable individuals and small businesses to expand their logistics, transport, and distribution capabilities, contributing to economic productivity. In FY 2024–25, total disbursements under this category amounted to ₹ 734.33 crore. As on March 31, 2025, the AUM for Commercial Vehicle Loans stood at ₹ 979.39 crore, up from ₹ 747.66 crore in the previous year.

### SALARIED PERSONAL LOANS

MAS entered the Salaried Personal Loans segment in FY 2022–23 to broaden its retail lending portfolio, cater to the personal credit needs of salaried individuals, and to create presence on the consumption side of the economy. These loans are offered to employees of approved companies, with ticket sizes of up to ₹ 5 lakh. Designed to meet immediate personal or family requirements, this product has witnessed encouraging traction since its launch.

During FY 2024–25, MAS disbursed Salaried Personal Loans worth ₹ 1,146.95 crore. As on March 31, 2025, the total AUM for this segment stood at ₹ 1,039.52 crore, up from ₹ 588.86 crore at the end of FY2023–24. The growth reflects increased customer acceptance and the Company's continued focus



on expanding its presence within this category through both direct sourcing and strategic tie-ups.

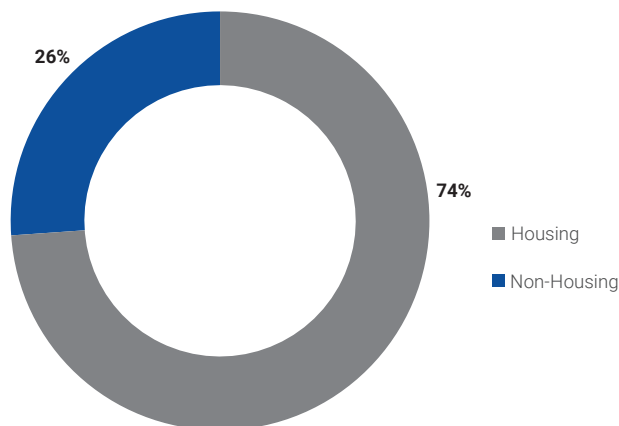
## HOUSING LOANS

MAS Rural Housing & Mortgage Finance Ltd. (MRHMFL), a subsidiary of MAS Financial Services, operates as a Housing Finance Company (HFC) registered with the National Housing Bank. Established in 2007, MRHMFL aims to extend affordable housing credit to low- and middle-income borrowers, especially in semi-urban and rural regions, where formal mortgage penetration remains low.

MRHMFL offers loans for the purchase, construction, or renovation of residential units, as well as for the acquisition and development of commercial properties. The subsidiary also provides project finance to developers engaged in constructing affordable housing projects. In FY2024-25, MRHMFL disbursed a total of ₹ 272.59 crore of loans, further advancing MAS's vision of inclusive credit delivery.

## Asset Under Management – by Product Category Mar 25 vs. Mar 24

### Housing and Non-housing Loans



As on March 31, 2025, the AUM for MRHMFL's business stood at ₹ 768.09 crore as compared to ₹ 596.29 crore as on March 31, 2024.

## FINANCIAL HIGHLIGHTS (₹ in Crore)

| Particulars   | Standalone                      |                                 | Consolidated                    |                                 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|   | Year Ended on<br>March 31, 2025 | Year Ended on<br>March 31, 2024 | Year Ended on<br>March 31, 2025 | Year Ended on<br>March 31, 2024 |
| Revenue from Operations   | 1517.19                         | 1221.86                         | 1,595.97                        | 1,283.87                        |
| Other Income  | 3.26                            | 7.42                            | 4.18                            | 6.52                            |
| <b>Total Income</b>   | <b>1,520.45</b>                 | 1,229.28                        | <b>1,600.15</b>                 | <b>1,290.39</b>                 |
| <b>Total Expenditure</b>  | <b>1,110.02</b>                 | 897.86                          | <b>1,179.14</b>                 | <b>950.72</b>                   |
| Profit Before Tax   | <b>410.43</b>                   | 331.42                          | <b>421.01</b>                   | <b>339.67</b>                   |
| Provision for Taxation (Including Current Tax, Deferred Tax & Income Tax of earlier Years)            | <b>104.50</b>                   | 83.67                           | <b>107.03</b>                   | <b>85.66</b>                    |
| <b>Net Profit</b>   | <b>305.93</b>                   | 247.75                          | <b>313.98</b>                   | <b>254.01</b>                   |
| Profit Brought Forward  | <b>845.91</b>                   | 674.61                          | 850.75                          | 679.63                          |
| Profit attributable to minority shareholders  |                                 |                                 | (3.60)                          | (2.96)                          |
| Effect of changes in the Group's interest   |                                 |                                 | (1.12)                          | (2.28)                          |
| Item of other comprehensive income recognised directly in retained earnings - on defined benefit plan | <b>(0.55)</b>                   | (0.39)                          | (0.56)                          | (0.38)                          |
| <b>Profit Available for Appropriation</b>   | <b>1,151.29</b>                 | 921.97                          | 1159.45                         | 928.02                          |
| <b>APPROPRIATIONS:</b>  |                                 |                                 |                                 |                                 |
| Transfer to reserve u/s 45-IC of RBI Act, 1934  | <b>(61.18)</b>                  | (49.55)                         | (61.19)                         | (49.55)                         |
| Transfer to reserve u/s 29-C of NHB Act, 1987   |                                 |                                 | (1.67)                          | (1.21)                          |
| Final Dividend on Equity Shares   | <b>(9.24)</b>                   | (10.11)                         | (9.25)                          | (10.11)                         |
| Interim Dividend on Equity Shares   | <b>(18.14)</b>                  | (16.40)                         | (18.15)                         | (16.40)                         |
| Dividend Distribution Tax on Equity Shares  |                                 |                                 |                                 |                                 |
| <b>Surplus Balance carried to Balance Sheet</b>   | <b>1,062.73</b>                 | 845.91                          | 1,069.19                        | 850.75                          |

### Details of significant changes in Key Financial Ratios

During FY 2024-25, there were no significant changes (changes exceeding 25% or more as compared to the immediately previous financial year) in Key Financial Ratios

### Details of changes in Ratios

On a standalone basis, during FY 2024-25, the Debt Equity Ratio was 3.37 times in FY 2024-25 as compared to 4.00 times for FY 2023-24. The Interest Coverage Ratio was 1.57 times in FY 2024-25 as compared to 1.54 times for FY 2023-24. The Company's return on net worth stood at 14.11% in FY 2024-25 as compared to 16.31% for FY 2023-24.

## LIABILITY MANAGEMENT

MAS Financial Services considers liability management a cornerstone of its business strategy. The Company's prudent approach has enabled it to successfully navigate sectoral challenges, meet its regulatory obligations, and ensure uninterrupted access to funding from a diverse pool of lenders.

Over the years, MAS has built and nurtured strong relationships with a wide network of leading banks and financial institutions. These partnerships are anchored in the Company's track record of responsible fund management, disciplined financial practices, and commitment to long-term value creation for all stakeholders.

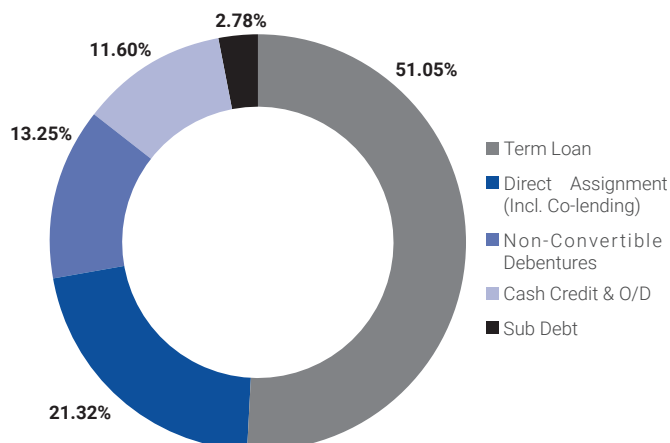
The Company continues to manage its Asset Liability Management (ALM) framework with strategic intent, ensuring a balanced mix of borrowings across instruments such as term loans, debentures, cash credit facilities, and direct assignment transactions. This diversified funding strategy allows MAS to optimize cost of capital, match asset-liability durations, and minimize liquidity risks.

As on March 31, 2025, MAS's total borrowings stood at ₹ 8,722.39 crore. A significant share of the asset book—approximately 85%—comprises loans that qualify for Priority Sector Lending (PSL), further enhancing the Company's appeal to institutional lenders. MAS also maintains a healthy off-book portfolio through co-lending and direct assignment arrangements, which are structured with door-to-door maturity and without recourse to the Company. The target remains to keep 20% to 25% of total AUM off-book, thereby strengthening capital efficiency and enhancing liquidity buffers.

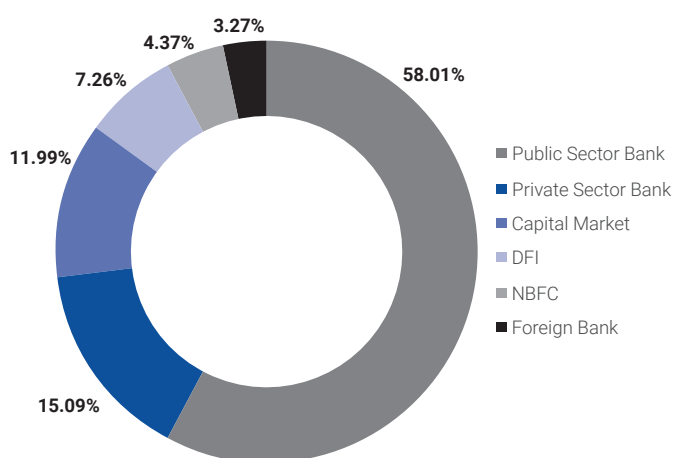
This balanced and disciplined approach to liability management continues to be integral to MAS's growth trajectory and its ability to deliver sustainable returns.

### Source of Fund as on March 31, 2025

#### Instrument Wise



#### Lender Type Wise



MAS Financial Services continues to follow prudent and proactive liquidity management practices to ensure uninterrupted business operations and financial resilience. The Company maintains a robust cash credit facility, with a total sanctioned limit of approximately ₹ 1,400 crore spread across 13 banking partners. Utilization levels are consistently maintained in the range of 65% to 70%, enabling MAS to preserve ample headroom and liquidity at all times.

As on March 31, 2025, the Company maintained the average liquidity of approximately ₹ 900 crore and an unutilized

cash credit facility of approximately ₹ 350 crore. In addition to these buffers, MAS held sanctioned but undrawn limits of approximately ₹ 3,000 crore across instruments such as term loans, non-convertible debentures (NCDs), direct assignment, and co-lending transactions. These additional lines of funding enhance the Company's financial flexibility and readiness to capitalize on growth opportunities.

MAS has carried out a detailed structural liquidity assessment for the period ending March 31, 2025, and has concluded that there is no adverse liquidity impact. The Company has also undertaken rigorous stress-testing of its liquidity position under multiple scenarios and remains comfortably placed to meet all its debt servicing obligations throughout the year.

By maintaining a disciplined approach to liquidity and capital planning, MAS ensures its ability to withstand external shocks, support business growth, and deliver long-term value to stakeholders.

## RESOURCE MOBILISATION

MAS Financial Services follows a prudent and diversified approach to resource mobilisation, ensuring stable funding, optimal cost of capital, and alignment with its asset-liability strategy. The Company continues to expand and strengthen its funding base through equity, long-term borrowings, capital market instruments, and structured off-book transactions.

### Share Capital

As on March 31, 2025, the issued and paid-up Equity Share Capital of the Company stood at ₹ 181.45 crore, comprising 18.15 crore equity shares of ₹ 10 each. The capital base continues to provide a strong foundation for growth while maintaining adequate headroom for future expansion.

### Term Loans

During FY2024–25, the Company secured fresh term loans amounting to approximately ₹ 2,850 crore from a diverse set of banking partners. These borrowings had an average tenure of approximately four years, in line with MAS's strategy to match long-term funding with the asset maturity profile and ensure robust Asset Liability Management (ALM).

### Assignment of Loan Portfolio / Co-Lending

MAS actively pursued off-book asset generation through direct assignment and co-lending partnerships during the year. In FY2024–25, portfolio assignment and co-lending transactions aggregated to approximately ₹ 2,450 crore. These arrangements enhance operational efficiency, reduce balance sheet leverage, and enable deeper credit penetration, particularly in semi-urban and rural markets.

### Non-Convertible Debentures (NCDs)

To diversify its liability mix and access longer-tenor capital, MAS raised ₹ 1000 crore through the issuance

## CREDIT RATINGS

AA (Stable)

**CareEdge**

Ratings • Analytics • Consulting • Sustainability

AA (Stable)

**Acuite**

RATINGS & RESEARCH

of Non-Convertible Debentures (NCDs) in FY2024–25. NCDs continue to be a key component of the Company's borrowing strategy, offering flexibility in structuring and investor diversification.

## DURING THE YEAR, THE RATING AGENCIES REAFFIRMED/ISSUED/ UPGRADED RATINGS OF VARIOUS FACILITIES TO THE COMPANY, AS UNDER:

| Sr. No. | Type of Instrument         | Rating            |
|---------|----------------------------|-------------------|
| 1       | Long Term Bank Facilities  | ACUITE AA; Stable |
| 2       | Commercial Papers          | ACUITE A1+        |
| 3       | Non-Convertible Debentures | ACUITE AA; Stable |
| 4       | Long Term Bank Facilities  | CARE AA-; Stable  |
| 5       | Commercial Papers          | CARE A1+          |
| 6       | Non-Convertible Debentures | CARE AA-; Stable  |
| 7       | Subordinated Bond          | CARE AA-; Stable  |

## CAPITAL MANAGEMENT

MAS Financial Services remains committed to sound capital management practices that balance growth, stability, and compliance. The Company aims to maximize returns on capital employed while operating within the regulatory framework prescribed by the Reserve Bank of India (RBI).

By employing disciplined capital allocation strategies, MAS ensures that its operations remain adequately capitalized at all times, supporting sustainable business expansion without compromising financial prudence. The Company maintains a well-capitalized balance sheet, leveraging internal accruals and external funding judiciously. This approach enables MAS to strengthen its long-term financial position and deliver consistent value to its stakeholders.

Through continuous improvement in capital management systems, processes, and controls, MAS seeks to enhance capital efficiency and ensure the availability of adequate buffers for future growth and economic uncertainties.

## CREDIT AND RISK MANAGEMENT

Risk management forms the cornerstone of MAS's operational philosophy. The Company acknowledges that effective risk

identification, assessment, and mitigation are essential to safeguard its assets and ensure long-term sustainability. Risks may originate from both internal and external sources, and MAS has built a robust risk management framework to address these challenges proactively.

The Company defines its risk appetite through well-articulated policies, functional controls, and key risk indicators (KRIs), all of which are reviewed periodically. Its enterprise-wide risk framework includes structured processes such as risk assessments, maintenance of a comprehensive risk catalogue, implementation of a risk appetite statement, and cultivation of a strong risk-aware culture.

MAS adopts a product-specific credit appraisal approach tailored to customer profiles, loan purpose, and exposure levels. To mitigate credit risk, the Company employs a combination of in-house analytics, bureau checks, and dynamic credit scoring models. The credit and collections teams work closely to align policies and manage delinquencies, which are monitored continuously at both the senior and middle management levels.

As of March 31, 2025, MAS's net Non-Performing Assets (NPAs) stood at 1.62% of total AUM. During the year, the average loan tenure across portfolios was approximately 17 months. To further manage interest rate and credit risk, the Company focuses on maintaining adequate lending spreads, offering predominantly short-tenure loans, and resetting interest rates periodically.

MAS also benefits from a well-diversified borrower base—both inter- and intra-segment—catering to a broad range of sectors and customer profiles. This diversification acts as a natural hedge against market volatility and macroeconomic shocks. The Company continuously monitors economic trends and remains agile in adjusting its strategies to protect asset quality and business continuity.

## OPPORTUNITIES & THREATS

MAS Financial Services maintains a vigilant and dynamic approach to environmental scanning, enabling the Company to proactively identify emerging opportunities while preparing for and mitigating potential risks. This dual focus supports its strategic agility and sustained growth in a rapidly evolving market.

### Opportunities

MAS is well-positioned to leverage its strengths in a competitive and expanding financial ecosystem. The Company's pan-India presence, diversified product portfolio, and strong customer connect in the low- and middle-income segments provide significant room for growth. Its unique partnership-led business model minimizes operating costs and credit risk, while ensuring last-mile credit delivery at scale.

With adequate capitalization in place, MAS is poised to support medium- to long-term expansion plans. Its brand continues to gain traction among underserved and semi-formal segments, especially in underpenetrated geographies where the demand for formal credit is rising steadily. Continued government focus on financial inclusion and MSME development provides additional momentum, reinforcing MAS's position as a trusted financial partner.

### Threats

The Company operates in a dynamic regulatory and competitive landscape. Potential risks include abrupt changes in policy, growing competition from both domestic and global players, and the inherent exposure to customers in semi-formal and informal sectors. MAS remains alert to these challenges and actively reviews its strategies and credit filters to mitigate their impact.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

MAS has implemented a robust internal control framework designed to safeguard assets, ensure regulatory compliance, and maintain operational efficiency across its growing business. The Company has developed and institutionalized standardized processes that are well-aligned with the scale and complexity of its lending operations.

Internal financial controls are embedded across every business function, ensuring statutory compliance and operational discipline. The framework includes clearly defined authority levels, documented procedures, and multi-tiered checks and balances that guide all critical activities—from loan origination to collections and reporting.

The credit assessment process is supported by demographic data, tailored credit scorecards, and risk-based underwriting standards. The Company maintains strict adherence to these protocols while retaining flexibility to adapt to changing market conditions. No compromise is made on the core principles of responsible lending, even as credit screens are refined periodically.

MAS continues to strengthen its monitoring and evaluation mechanisms, especially in relation to its NBFC partners. The exposure matrix, audit trails, and due diligence processes are regularly reviewed and enhanced to reflect operational realities. Operational expenditure is tracked closely, with a view to drive cost efficiency through process improvements and technology integration.

The Audit Committee of the Board provides oversight of the internal control environment, reviews auditor observations, and ensures accountability for addressing control gaps. This includes an evaluation of risk management practices, policy compliance, and control effectiveness across departments.



The internal audit function provides reasonable assurance regarding the effectiveness and efficiency of operations, the integrity of financial reporting, and compliance with applicable laws and regulatory guidelines. MAS's focus on continuous improvement ensures that its control environment evolves in step with its growth ambitions.

## HUMAN RESOURCES

At MAS Financial Services, employees are regarded as the cornerstone of the Company's continued growth and long-term success. MAS is deeply committed to fostering a supportive, inclusive, and performance-driven work environment where employees are empowered to achieve both personal aspirations and professional excellence.

The Company promotes a culture built on trust, accountability, and respect—an approach that not only inspires employee engagement but also contributes to a high retention rate. MAS encourages collaboration, instills a sense of ownership, and nurtures leadership at every level of the organisation.

To align people strategy with business objectives, MAS continually reviews and refines its HR policies. The Company has instituted structured talent management practices encompassing career development programs, productivity enhancement initiatives, and performance-linked rewards. Learning and Organisational Development (L&OD) remains a key area of focus, with ongoing efforts to upskill the workforce, support leadership development, and build future-ready capabilities.

Leadership at MAS is closely involved in shaping the Company's strategic direction, with senior managers playing a proactive role in mentoring teams and guiding execution. The leadership team comprises experienced professionals with deep expertise in financial services and long-standing associations with the organisation, ensuring continuity, institutional knowledge, and strategic clarity.

As on March 31, 2025, the Company's employee strength stood at **1758** on a standalone basis. MAS remains committed to building a future-ready, agile workforce that will power the Company's mission of inclusive financial empowerment across India.

## OUTLOOK

The NBFC sector is poised for sustained growth, driven by rising credit demand, improved regulatory clarity, and deepening financial inclusion. As formal credit continues to reach semi-urban and rural India, NBFCs like MAS are well-positioned to bridge the gap between traditional finance and underserved communities.

MAS will continue leveraging its hybrid distribution model, strong partner network, and prudent underwriting to scale efficiently. Strategic investments in technology and customer experience will support responsible growth and operational resilience.

With a diversified portfolio and robust capital base, MAS remains confident in delivering inclusive and sustainable financial solutions across India.

## CAUTIONARY STATEMENT

This document contains statements about expected future events, financial and operating results of MAS, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Company's Annual Report FY 2024-25.

# Report on Corporate Governance

## REPORT ON CORPORATE GOVERNANCE PURSUANT TO SCHEDULE V (C) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (THE LISTING REGULATIONS) AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED ON MARCH 31, 2025.

This report outlines compliance with requirements of the Companies Act, 2013, as amended (the 'Act'), the SEBI Listing Regulations and the Regulations of the Reserve Bank of India ('RBI') for Non-Banking Financial Companies (the 'RBI Regulations'), as applicable to the Company.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes that effective Corporate Governance extends beyond regulatory compliance—it is founded on the core principles of transparency, integrity, unity of purpose, accountability, and responsibility towards all stakeholders, including shareholders, employees, customers, and the broader community. We view good Corporate Governance as a catalyst for long-term value creation. It requires not only adherence to legal frameworks but also the competence, commitment, and ethical conduct of leadership to drive sustainable business success. By promoting prudent financial management, sound decision-making, and operational transparency, we aim to achieve the strategic goals of the organization while enhancing stakeholder trust and confidence.

### CONSTITUTION OF BOARD:

The Company's policy encourages having an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

- a) The Board of the Company consists Seven (7) Directors out of which one (1) is Promoter Executive Director, Two (2) Executive Director (including 1 (one) woman Executive Director) and four (4) are Independent Directors (including 1 (one) woman Independent Director) as on March 31, 2025, the details of Board of Directors as on March 31, 2025 is as below:

| Name of Directors            | Designation   | Category                 | Date of Appointment | Total number of other Directorship | No. of Committee Membership/ chairman in other Domestic Companies <sup>^</sup> |                       | No. of Equity Shares held as on March 31, 2025 |
|------------------------------|---|--------------------------|---------------------|------------------------------------|--|-----------------------|--|
|                              |   |                          |                     |                                    | Chairman <sup>#</sup>  | Members <sup>##</sup> |  |
| Mr. Kamlesh Chimanlal Gandhi | Chairman & Managing Director (Promoter)                   | Executive Director       | 25/05/1995          | 6                                  | -  | -                     | 1,90,21,524                                    |
| Mrs. Darshana Pandya         | Whole-time Director & CEO (Non-Promoter, Non-Independent) | Executive Director       | 23/09/2016          | 4                                  | -  | 3                     | 58,338   |
| Mr. Dhvanil Gandhi*          | Whole-time Director (Promoter Group, Non-Independent)     | Executive Director       | 14/08/2024          | -                                  | -  | -                     | 1,05,831                                       |
| Mr. Umesh Rajanikant Shah    | Independent Director                                      | Non – Executive Director | 21/12/2016          | 1                                  | 2  | 1                     | 750  |

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable, with regard to corporate governance and the Regulations of RBI issued for NBFCs vide Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (the 'NBFC Regulations'), as applicable to the Company.

We believe Corporate Governance should provide appropriate incentives for the Board and management to act in the best interests of the Company and its stakeholders. To that end, we continually review and strengthen our systems, policies, and internal controls to ensure a robust risk management framework and an effective internal control environment.

### BOARD OF DIRECTORS:

At the helm of the Company's Corporate Governance practice is its Board. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholder's aspirations and societal expectations.

| Name of Directors                   | Designation                | Category                 | Date of Appointment | Total number of other Directorship   | No. of Committee Membership/ chairman in other Domestic Companies <sup>^</sup> |                       | No. of Equity Shares held as on March 31, 2025 |
|-------------------------------------|----------------------------|--------------------------|---------------------|--|--|-----------------------|--|
|                                     |                            |                          |                     |  | Chairman <sup>#</sup>  | Members <sup>##</sup> |  |
| Mrs. Daksha Niranjan Shah           | Independent Woman Director | Non – Executive Director | 14/03/2019          | Mrs. Daksha Shah ceased to be Director of the Company due to completion of her tenor with effect from close of business hours of March 13, 2025. |  |                       |  |
| Mr. Narayanan Sadanandan            | Independent Director       | Non – Executive Director | 21/06/2023          | 4  | 1  | 4                     | -  |
| Mr. Vishal Vasu <sup>§</sup>        | Independent Director       | Non – Executive Director | 24/04/2024          | 3  | -  | -                     | -  |
| Dr. Barnali Chaklader <sup>**</sup> | Independent Director       | Non – Executive Director | 04/03/2025          | 1  | -  | -                     | -  |

<sup>^</sup>Committee includes Audit Committee and Stakeholder Relationship Committee across all Public Companies.

<sup>\*</sup>Mr. Dhvanil Gandhi was appointed as Whole-time Director w.e.f. August 14, 2024

<sup>§</sup>Mr. Vishal Vasu was appointed as Independent Director w.e.f. April 24, 2024.

<sup>\*\*</sup>Dr. Barnali Chaklader was appointed as Independent Woman Director w.e.f March 04, 2025.

# Details of Chairman in Committees in other companies:

| Director       | Committee   |
|----------------|---|
| Mr. Umesh Shah | 1. Audit Committee – MAS Rural Housing & Mortgage Finance Limited |

## Details of Membership in Committees in other companies:

| Name of Director         | Membership in Committees   |
|--------------------------|--|
| Mrs. Darshana Pandya     | 1. Audit Committee – MAS Rural Housing & Mortgage Finance Limited  |
| Mr. Narayanan Sadanandan | 1. Stakeholder Relationship Committee – Infibeam Avenues Limited<br>2. Stakeholder Relationship Committee – Allied Blenders And Distillers Limited<br>3. Audit Committee – Shree Maruti Integrated Logistics Limited |

None of the above Directors bear inter-se relation with other Directors except the following:

| Sr. No. | Name of Director   | Disclosure of relationships between directors inter-se   |
|---------|--------------------|--|
| 1.      | Mr. Dhvanil Gandhi | Mr. Dhvanil Gandhi belongs to the promoter group and is a Son of Mr. Kamlesh Gandhi – Promoter, Chairman & Managing Director of the Company. |

The composition of Board complies with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

None of the Directors on the Board holds directorships in more than seven listed companies and none of the Independent Director serves as an Independent Director on more than seven listed companies.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

b) Names of the other listed entities where the person is a Director and the Category of Directorship:

| Names of Directors       | Name of the listed entities            | Category of Directorship             |
|--------------------------|--|--------------------------------------|
| Mr. Narayanan Sadanandan | Infibeam Avenues Limited               | Non-Executive - Independent Director |
|                          | Allied Blenders And Distillers Limited | Non-Executive - Independent Director |
| Mr. Vishal Vasu          | Dev Information Technology Limited     | Executive Director                   |

## BOARD MEETINGS:

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly results of the Company. Additional board meetings are convened, as and when required, discussing and deciding on various business policies, strategies and other businesses. The Board meetings are held at Ahmedabad.

During the year under review, Board of Directors of the Company met 7 (Seven) times, viz April 24, 2024, June 05, 2024, July 24, 2024, August 14, 2024, October 23, 2024, January 29, 2025 and March 04, 2025. The gap between two consecutive meetings has been less than one hundred and twenty days.

During the year, no circular resolutions were passed by the Board of Directors of the Company.

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below:

| Name of Directors        | No. of Board meeting held during the year (2024-25) | No. of Board Meeting attended during the year (2024-25) | Attended the previous AGM (Yes or No) |
|--------------------------|---|---|---------------------------------------|
| Mr. Kamlesh C. Gandhi    | 7   | 7   | Yes                                   |
| Mrs. Darshana Pandya     | 7   | 7   | Yes                                   |
| Mr. Dhvanil Gandhi*      | 7   | 3   | Yes                                   |
| Mr. Umesh R. Shah        | 7   | 6   | Yes                                   |
| Mrs. Daksha N. Shah^     | 7   | 7   | Yes                                   |
| Mr. Narayanan Sadanandan | 7   | 7   | Yes                                   |
| Mr. Vishal Vasu*         | 7   | 5   | Yes                                   |
| Dr. Barnali Chaklader*   | 7   | 0   | No                                    |

\* Mr. Vishal Vasu, Mr. Dhvanil Gandhi & Dr. Barnali Chaklader were appointed with effect from April 24, 2024, August 14, 2024 and March 04, 2025 respectively. No. of meetings attended were calculated based on the number of Board meetings attended post his/her appointment.

^ Mrs. Daksha Shah retired w.e.f. closing of business hours of March 13, 2025.

Directorship & Membership of Board / Committees as on March 31, 2025:

| Name of Directors            | Directorship   | Category                 | *No. of Committees   |
|------------------------------|--|--------------------------|--|
| Mr. Kamlesh Chimanlal Gandhi | 1. MAS Financial Services Limited <sup>#</sup>         | Executive Director       | -  |
|                              | 2. MAS Rural Housing & Mortgage Finance Limited        | Executive Director       | -  |
|                              | 3. Prarthna Marketing Private Limited                  | Non-Executive Director   | -  |
|                              | 4. Swalamb Mass Financial Services Ltd                 | Non-Executive Director   | -  |
|                              | 5. Finance Industry Development Council                | Non-Executive Director   | -  |
|                              | 6. MASfin Insurance Broking Private Limited            | Non-Executive Director   | -  |
|                              | 7. Dhi Advisors Private Limited                        | Non-Executive Director   | -  |
| Mrs. Darshana Pandya         | 1. MAS Financial Services Limited <sup>#</sup>         | Executive Director       | Audit Committee – Member<br>Stakeholders Relationship Committee – Member   |
|                              | 2. MAS Rural Housing & Mortgage Finance Limited        | Executive Director       | Audit Committee – Member   |
|                              | 3. Swalamb Mass Financial Services Ltd.                | Non- Executive Director  | -  |
|                              | 4. Prarthna Marketing Private Limited                  | Non- Executive Director  | -  |
|                              | 5. Masfin Insurance Broking Private Limited            | Non- Executive Director  | -  |
| Mr. Dhvanil Gandhi           | 1. MAS Financial Services Limited <sup>#</sup>         | Executive Director       | -  |
| Mr. Umesh Rajanikant Shah    | 1. MAS Financial Services Limited <sup>#</sup>         | Non - Executive Director | Audit Committee – Chairman<br>Nomination & Remuneration Committee – Chairman<br>Stakeholders Relationship Committee – Member |
|                              | 2. MAS Rural Housing & Mortgage Finance Limited        | Non - Executive Director | Audit Committee – Chairman<br>Nomination & Remuneration Committee – Chairman   |
| Mr. Narayanan Sadanandan     | 1. MAS Financial Services Limited <sup>#</sup>         | Non – Executive Director | Audit Committee – Member<br>Nomination & Remuneration Committee – Member<br>Stakeholders Relationship Committee – Chairman   |
|                              | 2. Allied Blenders and Distillers Limited <sup>#</sup> | Non – Executive Director | Stakeholders Relationship Committee – Member   |
|                              | 3. Infibeam Avenues Limited <sup>#</sup>               | Non – Executive Director | Stakeholders Relationship Committee – Member   |
|                              | 4. Shree Maruti Integrated Logistics Limited           | Non – Executive Director | Audit Committee – Member   |
| Mr. Vishal Vasu              | 1. MAS Financial Services Limited <sup>#</sup>         | Non – Executive Director | Nomination & Remuneration Committee – Member   |
| Dr. Barnali Chaklader        | 1. MAS Financial Services Limited <sup>#</sup>         | Non – Executive Director | -  |

\*Committee includes Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee (SRC) across all Public Companies.

<sup>#</sup>Securities of the Entity are listed on Stock Exchange.



#### List of Matrix/chart of special skill:

| Sr. No. | Name of the Directors | Skills/Expertise identified by the Board  | Specialization  |
|---------|-----------------------|---|---|
| 1.      | Mr. Kamlesh C. Gandhi | <ul style="list-style-type: none"> <li>• Management &amp; Governance</li> <li>• Financial Services</li> <li>• Integrity</li> <li>• Ability to function as Team</li> <li>• Leadership Quality</li> <li>• Commitment</li> <li>• Future Vision &amp; Innovation</li> </ul> | <p>Mr. Kamlesh C. Gandhi is a proficient and experienced industry practitioner with a brilliant track record, which includes over two decades of managing and propelling the MAS Group's growth. He manages the Company with the guidance and support of the Board and his own understanding and vision are among the key enablers for the consistent performance of the Company. He is the member of Banking and Finance taskforce of Gujarat Chambers of Commerce and Industry, Vice Chairman of Gujarat Finance Company Association, Co-Chairman of FIDC, an industry body of NBFCs, Co-Chairman of ASSOCHAM MSME Development Council and a member of SME Chamber of India. He is also the Managing Trustee of Smt. Urmilaben Chimanlal Gandhi Foundation. The Foundation currently contributes towards the financial needs in health care and education.</p> <p>Currently, he is also a director in Finance Industry Development Council (FIDC), MAS Rural Housing &amp; Mortgage Finance Limited, MASFIN Insurance Broking Private Limited, Prarthna Marketing Private Limited, Swalamb Mass Financial Services Ltd and DHI Advisors Private Limited.</p>  |
| 2.      | Mrs. Darshana Pandya  |   | <p>She is having vast experience in Finance sector for past 29 years. She is a commerce graduate who joined the Company in 1996 as a junior executive and through her hard work, immaculate working and determination to excel, accompanied by enabling support from the management; rose to the level of Director &amp; CEO. She is very dedicated towards her roles &amp; responsibilities. She is having good exposure in the Finance sector. During her career span, she has successfully established and led many innovative services which have led the organization grow. (i.e. created value in the organization). She is responsible for leading the operations at MAS and also the relationship of the company with its more than 200 NBFC-MFI &amp; NBFC Partners.</p> <p>Currently, she is also a director in MAS Rural Housing &amp; Mortgage Finance Limited, MASFIN Insurance Broking Private Limited, Prarthna Marketing Private Limited and Swalamb Mass Financial Services Ltd.</p>   |
| 3.      | Mr. Dhvanil Gandhi    |   | <p>Mr. Dhvanil Gandhi holds the extensive experience of more than 11 years in the Company. He has been engaged in key roles alongside the core team of MAS. During his association, he has developed the SME lending vertical of the company through its branches across India and also involved in the insurance business, especially for the captive borrowers and the company has also applied for the insurance broking licence under his leadership to cater to larger spectrum of the customers thereby being catalyst in increasing the much-needed insurance penetration in the country. He holds a Bachelor's degree in business administration from prestigious Ahmedabad University – Ahmedabad. He has obtained postgraduate degree from a very renowned institute namely ISB (Indian School of Business – Hyderabad). During his curriculum, he has participated in programmes at Kellogg School of Management, Northwestern University – USA, and IE Business School at Madrid, Spain. He had also attended the summer training programme on Strategic Management at LSE – London School of Economics and a programme on Cross-Cultural Communication &amp; Management at NUS – National University of Singapore.</p> |
| 4.      | Mr. Umesh R. Shah     |   | <p>He has more than three decades of experience in the diversified fields connected with Finance, Accounting, Auditing and Taxation. He is Bachelor of Commerce and Chartered Accountant holding membership of the Institute of the Chartered Accountants of India (ICAI). The Company is benefitted from the valuable experience, knowledge and Expertise Mr. Umesh R. Shah.</p> <p>Currently, he is also a director in MAS Rural Housing &amp; Mortgage Finance Limited.</p>  |

| Sr. No. | Name of the Directors    | Skills/Expertise identified by the Board | Specialization  |
|---------|--------------------------|--|---|
| 5.      | Mr. Narayanan Sadanandan |  | <p>He has vast experience of more than 4 decades in all facets of banking, expertise in Fund Management, Investment Banking, Correspondence &amp; International Banking, Corporate, Commercial and Retail (including MSME) Banking. He is also an advisor-Equity Capital market, SBI Capital Markets Ltd and Ex MD &amp; CEO-SBI Pension funds Private Ltd. He holds bachelor's degrees in commerce from University of Madras (1982) and Certificate Associate of Indian Institute of Bankers (1990). He has completed two Groups in Intermediate Examination of the Institute of Cost and Works Accountants of India (ICWA).</p> <p>Currently, he is also a Director in Allied Blenders and Distillers Ltd, Infibeam Avenues Limited, Shree Maruti Integrated Logistics Limited and a Senior Advisor in Modulus Alternative Investment Management Ltd.</p> <p>The Company is benefitted from the valuable experience, knowledge and expertise of Mr. Narayanan Sadanandan.</p>   |
| 6.      | Mr. Vishal Vasu          |  | <p>He is a certified technology specialist on Microsoft platforms and carries a diploma of Management in E-Business. He is holding a rich experience and expertise in the field of IT Industry with a focus on Research &amp; Development activities, innovative ecosystem, Information Technology function, architecture designs, software technology, and cybersecurity, fortifying project development and propelling business growth. He is having over 2 decades of expertise in systems engineering, software development, and information management. His accolades as a certified technology specialist on Microsoft platforms and a certified Cybersecurity Expert attest to his unwavering commitment to excellence.</p> <p>He is currently associated with Dev Information Technology Limited and MINDEFFT Technologies Private Limited as a Director on the Board of the Companies. He is a frequent speaker, publication contributor and an avid blogger on information technology. His articles have been published in a variety of publications.</p>   |
| 7.      | Dr. Barnali Chaklader    |  | <p>She brings over 26 years of extensive experience in academia, serving as a core and visiting faculty at prestigious institutions such as the Institute of Management Technology (IMT) Ghaziabad, International Management Institute (IMI) New Delhi, IIM Lucknow, SP Jain Institute of Management (Singapore), Euromed Management University (France), and Kufstein University (Austria).</p> <p>She has actively contributed to academia by presenting research papers at various national and international conferences across multiple countries and her scholarly work has been published in esteemed journals as well. Beyond academia, Dr. Chaklader is a seasoned corporate trainer. She has been recognized for her contributions to education and research with several prestigious awards. Dr. Chaklader is a Fellow Member of the Institute of Cost Accountants of India and holds a Ph.D. from Bundelkhand University, Jhansi, along with a Bachelor's and Master's degree in Commerce from Delhi University. She also earned an MBA from Lalit Narayan Mishra Institute, Patna. Currently, she is a Professor of Finance and Accounting at IMT Ghaziabad.</p> |

In the opinion of the Board, the independent directors fulfill the conditions specified in Listing Regulations and are Independent of the Management.

No Independent Director has resigned before the expiry of their tenure during the year; therefore there is no requirement to make any disclosure in the said matter.

#### INDEPENDENT DIRECTORS AND EVALUATION OF DIRECTORS AND THE BOARD:

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has Four Independent Directors as on March 31, 2025 in line with the Companies Act, 2013 and the provisions of Listing Regulations. The terms and conditions of appointment of Independent Directors and Code for Independent Directors are hosted on the website of the Company at [www.mas.co.in](http://www.mas.co.in). The Company has received necessary declaration from each Independent Directors under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 alongwith in compliance in Rule 6 (1) and (3) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time and Regulation 25 (8) & (9) of Listing Regulations.

With the objective of enhancing the effectiveness of the board, the Nomination and Remuneration Committee formulated the methodology and criteria to evaluate the performance of the board and of each director. The evaluation of the performance of the board is based on the approved criteria such as the board composition, strategic planning, role of the Chairman, non-executive directors and other senior management, assessment of the timeliness and quality of the flow of information by the Company to the board and adherence to compliance and other regulatory issues.

A separate meeting of Independent Directors was held on March 29, 2025 to review the performance of Non-Independent Directors and Board as whole.

### FAMILIARIZATION PROGRAMME:

The Company has adopted the Familiarization Programme to familiarize Independent Directors of the Company. The Company has held programmes for the Independent Directors and some of such programmes carried out during the year were as under:

- On appointment, every Director is provided with an induction pack containing important information about the Company, including its vision and mission, organizational structure, key policies, financial statements, and the roles and responsibilities of Directors. One-on-one interactions are arranged with the Chairman, Managing Director, senior management, and functional heads to offer insights into the Company's strategy, operations, and governance practices. Ongoing basis Regular presentations are made by various department heads on key business areas, performance updates, regulatory changes, industry outlook, risk management framework, and internal control systems. Updates on relevant statutory and regulatory changes, compliance requirements, and corporate governance best practices are shared periodically with the Board.
- Various presentations were made by the Senior Executives, Statutory Auditor inter alia, about the business of the Company and of its subsidiaries from time to time, on different functions and areas, with special reference to the nature of the industry in which these companies operate.
- Deliberations were held and presentations were made from time to time on major development in the areas of the Companies Act 2013, notifications including amendments in existing regulations issued by the Securities and Exchange Board of India (SEBI), and amendments in circular of Reserve Bank of India (RBI).
- Presentation related to the Risk Management Framework including technological risk, operational risk, financial risk, market risk, compliance risk, etc.;
- The regular meeting of the Independent Directors is being held with Executive Directors to interact with

the strategy, operation and functions of the Company. Further, the Independent Directors are provided with opportunity to interact with the Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.

The Company conducted 05 (Five) programmes during the year 2024-25 and the time spent by Independent Directors was in the range of 1- 2 hours.

It may be noted further that the independent directors of the Company being persons of great eminence and expertise were already well conversant with the business and functioning of the Company, as also with other aspects referred to in the above-said regulation. Further, considering the variety of programmes conducted for the independent directors, the particulars of number of programmes, numbers of hours spent in such programmes & such other details of familiarization programmes are not being provided separately.

The Familiarization Programme, as adopted by the Board, has been uploaded on the website of the Company at [www.mas.co.in](http://www.mas.co.in) and the same can be accessed through the weblink: <https://mas.co.in/policy.aspx>.

### DETAILS OF COMMITTEES

#### A. Audit Committee:

The Company has formed Audit Committee in line with the provisions Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. Audit Committee meetings are generally held once in a quarter for the purpose of recommending the quarterly / half yearly / yearly financial result and the gap between two meetings did not exceed one hundred and twenty days. Additional meetings are held for the purpose of reviewing the specific item included in terms of reference of the Committee. During the year under review, Audit Committee met 8 (Eight) times on April 24, 2024, May 16, 2024, July 24, 2024, August 14, 2024, October 22, 2024, November 15, 2024, January 29, 2025 and March 18, 2025.

The details of meetings attended by its members held during the FY 2024-25 are given below:

| Name                     | Designation | Number of meetings during the financial year 2024-25 |          |
|--------------------------|-------------|--|----------|
|                          |             | Held   | Attended |
| Mr. Umesh Shah           | Chairman    | 8  | 8        |
| Mrs. Darshana Pandya     | Member      | 8  | 8        |
| Mrs. Daksha Shah*        | Member      | 8  | 7        |
| Mr. Narayanan Sadanandan | Member      | 8  | 8        |

\*The committee was reconstituted on January 29, 2025, pursuant to which Mrs. Daksha Shah ceased as member of the Committee w.e.f January 29, 2025.

On account of scheduled tenure completion of Mrs. Daksha Shah, Independent Woman Director of the Company on March 13, 2025, the Board of Directors in their meeting held on January 29, 2025 has reconstituted the Audit Committee effective from January 29, 2025 and Mrs. Daksha Shah ceased to be a member of Audit Committee with effect from close of business hours on January 29, 2025. The composition of the Audit Committee as on March 31, 2025 is given below:

| Sr. No. | Name                     | Designation               | Chairman/Member |
|---------|--------------------------|---------------------------|-----------------|
| 1       | Mr. Umesh Shah           | Independent Director      | Chairman        |
| 2       | Mrs. Darshana Pandya     | Whole-time Director & CEO | Member          |
| 3       | Mr. Narayanan Sadanandan | Independent Director      | Member          |

The Statutory Auditors and Internal Auditors of the Company are invited in the meeting of the Committee wherever required.

Mr. Umesh Shah, the Chairman of the Audit Committee had attended last Annual General Meeting of the Company held on September 11, 2024.

The Company Secretary & Chief Compliance Officer acts as the Secretary to the Committee.

Recommendations of Audit Committee have been accepted by the Board of wherever/whenever given.

#### A. Broad terms of Reference:

The role of the audit committee shall include the following:

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the

board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  - (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
  - (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
  - (9) Scrutiny of inter-corporate loans and investments;
  - (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - (11) Evaluation of internal financial controls and risk management systems;
  - (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;



- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) Reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (22) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder.
- (23) The Committee shall review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- (24) The Committee shall review & recommend any variation in the remuneration of CMD, CEO and CFO.

**B. The audit committee shall mandatorily review the following information:**

1. management discussion and analysis of financial condition and results of operations;

2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses; and
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. statement of deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**B. Nomination and Remuneration Committee:**

The Company has formed Nomination and Remuneration Committee in line with the provisions Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations. Nomination and Remuneration Committee meetings are generally held for identifying the person who is qualified to become Director or Key Managerial Personnel and may be appointed in senior management and recommending their appointments and removal and also to review key result areas and key performance expected from the directors during the quarters and to review remuneration paid to the directors, key managerial personnel and senior management team. During the year under review, the members of Nomination and Remuneration Committee met 4 (Four) times on April 24, 2024, July 24, 2024, October 22, 2024 and March 04, 2025.

The details of meetings attended by its members during the FY 2024-25 are given below:

| Name                     | Designation | Number of meetings during the financial year 2024-25 |          |
|--------------------------|-------------|--|----------|
|                          |             | Held   | Attended |
| Mrs. Daksha Shah*        | Chairperson | 4  | 3        |
| Mr. Umesh Shah*          | Chairman    | 4  | 4        |
| Mr. Narayanan Sadanandan | Member      | 4  | 4        |
| Mr. Vishal Vasu*         | Member      | 4  | 1        |

\*The Committee was reconstituted on January 29, 2025, pursuant to which Mrs. Daksha Shah ceased to be Chairperson of the Committee, Mr. Umesh Shah appointed as Chairman and Mr. Vishal Vasu appointed as Member in the Committee w.e.f January 29, 2025.

On account of scheduled tenure completion of Mrs. Daksha Shah, Independent Woman Director of the Company on March 13, 2025, the Board of Directors in their meeting held on January 29, 2025 has re-constituted the Nomination & Remuneration Committee effective from January 29, 2025 and Mrs. Daksha Shah ceased to be a Chairperson of the Committee with effect from close of business hours on January 29, 2025. The composition of the Nomination & Remuneration Committee as on March 31, 2025 is given below:

| Sr. No. | Name                     | Designation          | Chairman/Member |
|---------|--------------------------|----------------------|-----------------|
| 1       | Mr. Umesh Shah           | Independent Director | Chairman        |
| 2       | Mr. Narayanan Sadanandan | Independent Director | Member          |
| 3       | Mr. Vishal Vasu          | Independent Director | Member          |

### BROAD TERMS OF REFERENCE:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (1A) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- (4) To carry out evaluation of Director's performance.
- (5) To recommend to the Board the appointment and removal of Directors and Senior Management.
- (6) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- (7) To devise a policy on Board diversity, composition, size.
- (8) To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- (9) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- (10) To oversee the framing, review and implementation of Compensation Policy as and when applicable.
- (11) To work in close coordination with Risk Management Committee (RMC) of the Company to achieve effective alignment between compensation and risks.
- (12) To ensure 'fit and proper' status of proposed/existing directors and that there is no conflict of interest in appointment of directors on Board of the company, KMPs and senior management
- (13) To perform such other functions as may be necessary or appropriate for the performance of its duties.

In compliance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has devised a policy on diversity of Board of Directors of the Company. The policy sets out the approach of the Company ensuring the diversity on the Board of Directors of the Company and enhances its effectiveness whilst discharging its fiduciary obligations toward the shareholders of the Company. The Nomination and Remuneration Committee ('the NRC') of the Company will be responsible for review and assess board composition and performance of the Board and as well as identifying appropriately qualified person to be designated as Director on the Board of the Company in accordance with the applicable laws.

The policy is hosted on the website of the Company viz <https://www.mas.co.in/policy.aspx>

### REMUNERATION OF DIRECTORS:

The Company has not entered into any pecuniary relationship or transactions with Non-Executive Directors of the Company.

Further, criteria for making payment, if any, to non-executive directors are provided under the Nomination and Remuneration Policy of the Company and criteria of making payment to the Non –Executive/Independent Director(s) is hosted on the website of the Company viz. <https://www.mas.co.in/policy.aspx>

During the year under review, the Company has paid remuneration to Executive Directors of the Company, details of which are as under:

| Sr. No. | Name of Directors    | Designation                  | Component of payment     | Remuneration paid (Amount in ₹ Lakh) |
|---------|----------------------|------------------------------|--------------------------|--------------------------------------|
| 1.      | Mr. Kamlesh Gandhi   | Chairman & Managing Director | Salary (including bonus) | 760.96                               |
| 2.      | Mrs. Darshana Pandya | Whole-time Director & CEO    | Salary (including bonus) | 125.83                               |
| 3.      | Mr. Dhvanil Gandhi   | Whole-time Director          | Salary (including bonus) | 58.05                                |

During the year under review, the Company has paid Sitting fees to Non – Executive Independent Directors of the Company, details of which are as under:

| Sr. No. | Name of Directors        | (Amount in ₹) |
|---------|--------------------------|---------------|
| 1       | Mr. Umesh Shah           | 9,75,000      |
| 2       | Mrs. Daksha Shah*        | 7,50,000      |
| 3       | Mr. Narayanan Sadanandan | 8,50,000      |
| 4       | Mr. Vishal Vasu          | 3,75,000      |
| 5       | Dr. Barnali Chaklader    | -             |

\*Mrs. Daksha Shah ceased to be Independent Woman Director w.e.f March 13, 2025

The remuneration of the Executive Directors is decided by the Nomination and Remuneration Committee based on the performance of the Company in accordance with the Nomination and Remuneration Policy within the limit approved by the Board and Members.

The Company believes that non-executive director's compensation must reflect the time, effort, attendance and participation in Board and Committee meetings. The payment which is proportionate to attendance ensures directors' remuneration is commensurate with their time, effort, attendance and participation. Accordingly, the sitting fees previously paid to the Independent Directors were fixed amount of ₹ 25,000/- per committee meeting & ₹ 50,000/- per Board meeting and considering the expanding scale of business and complexity of business decisions requiring the attention of the Board, the sitting fees have been revised to ₹ 35,000/- per committee meeting and ₹ 75,000/- per Board meeting w.e.f April 01, 2025 by the Board of Directors duly approved in their meeting held on April 30, 2025.

No other performance linked incentives or any other fees are paid to any of the Directors.

The Company has not entered into any Service Contract with the Directors, except agreement with the Managing Director entered with Mr. Kamlesh C. Gandhi who is the Managing Director and Whole-Time Director agreement with Mrs. Darshana Pandya who is the Whole-time Director of the Company.

The Notice Period of the Executive Directors of the Company is 6 months. Further, there is no notice period for the Independent Directors of the Company.

The Company does not pay any severance fees to any of the Directors.

Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: Not Applicable.

#### C. Stakeholder's Relationship Committee:

The Company has constituted Stakeholder's Relationship Committee in pursuance to the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc.

During the year under review, Stakeholder's Relationship Committee 4 (Four) times on May 16, 2024, July 24, 2024, October 22, 2024 and January 29, 2025.

The composition of the Committee and the details of meetings attended by its members during the FY 2024-25 are given below:

| Name                     | Designation | Number of meetings during the financial year 2024-25 |          |
|--------------------------|-------------|--|----------|
|                          |             | Held   | Attended |
| Mr. Narayanan Sadanandan | Chairman    | 4  | 4        |
| Mrs. Darshana Pandya     | Member      | 4  | 4        |
| Mr. Umesh Shah           | Member      | 4  | 4        |

During the year under review, there was no change in the composition of the Stakeholder's Relationship Committee.

#### Complaint

During the year, the Company had not received any complaints from the Shareholders of the Company. Therefore, there was no complaint pending as on March 31, 2025.

**Name and designation of the Compliance Officer and the Investor Grievances Officer**

Ms. Riddhi Bhaveshbhai Bhayani

Company Secretary and Chief Compliance Officer

6, Narayan Chambers, Ground Floor,

Behind Patang Hotel, Ashram Road,

Ahmedabad – 380 009

E-Mail: [greivance@mas.co.in](mailto:greivance@mas.co.in)

Phone: +91-79-41106638

**Broad terms of reference:**

1. Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. The equity shares of the Company are compulsorily traded in electronic form on the stock exchanges and hence the handling of physical transfer of shares is minimal, the Company has no transfers pending at the closure of the financial year. The Committee shall also review services rendered by the Registrar & Share Transfer Agent;
4. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
6. Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

**D. Risk Management Committee:**

The Company has constituted Risk Management Committee in pursuance to the Regulation 21 of Listing Regulations as amended, to assess the risk associated, mitigation of such risk and formulation of Risk Management Plan.

During the year under review, Risk Management Committee has 4 (Four) times on May 16, 2024, August 14, 2024, November 15, 2024 and March 18, 2025.

The composition of the Committee and the details of meetings attended by its members during the FY 2024-25 are given below:

| Name                      | Designation | Number of Meetings held during the financial year 2024-25 |          |
|---------------------------|-------------|---|----------|
|                           |             | Held  | Attended |
| Mr. Narayanan Sadanandan* | Chairman    | 4   | 1        |
| Mr. Umesh Shah*           | Member      | 4   | 4        |
| Mrs. Darshana Pandya      | Member      | 4   | 4        |
| Mr. Dhvanil Gandhi*       | Member      | 4   | 1        |
| Mrs. Daksha Shah*         | Member      | 4   | 3        |

\*The Committee was re-constituted w.e.f January 29, 2025 pursuant to which Mrs. Daksha Shah ceased to be Member of the Committee, Mr. Narayanan Sadanandan appointed as Chairman of the Committee and Mr. Umesh Shah & Mr. Dhvanil Gandhi were appointed as Member in the Committee w.e.f January 29, 2025.

On account of scheduled tenure completion of Mrs. Daksha Shah, Independent Woman Director of the Company on March 13, 2025, the Board of Directors in their meeting held on January 29, 2025 has re-constituted the Risk Management Committee effective from January 29, 2025 and Mrs. Daksha Shah ceased to be a Member of the Committee with effect from close of business hours on January 29, 2025. The composition of the Risk Management Committee as on March 31, 2025 is given below:

| Sr. No. | Name                     | Designation               | Chairman/Member |
|---------|--------------------------|---------------------------|-----------------|
| 1       | Mr. Narayanan Sadanandan | Independent Director      | Chairman        |
| 2       | Mrs. Darshana Pandya     | Whole-time Director & CEO | Member          |
| 3       | Mr. Umesh Shah           | Independent Director      | Member          |
| 4       | Mr. Dhvanil Gandhi       | Executive Director        | Member          |

**Chief Risk Officer:** Mr. Nishant Jain

**BOARD TERMS OF REFERENCE:**

1. To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business Continuity Plan



2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. To work in close coordination with Nomination and remuneration Committee (NRC) of the Company to achieve effective alignment between compensation and risks

In compliance with the Reserve Bank of India Circular No. DNBR (PD) CC.No.099/03.10.001/2018-19 dated May 16, 2019 the Company had appointed Mr. Nishant Jain as the Chief Risk Officer of the Company, in order to carry out all functions and discharge all responsibilities as per the terms of the aforesaid RBI circular.

#### E. Particulars of Senior Management:

The Nomination & Remuneration Committee of the Company is responsible for identifying persons who are qualified to be appointed in senior management. In terms of section 178 of the Act, the Committee has formulated criteria for the appointment of personnel in senior management comprising attributes viz., personal traits, competencies, experience and background. These attributes are considered for nominating candidates for senior management position.

The details of Directors/ Key Management Personnel of the Company as on March 31, 2025 are as follows:

| Sr. No. | Name                 | Designation                                   | Category |
|---------|----------------------|---|----------|
| 1       | Mr. Kamlesh Gandhi   | Chairman and Managing Director                | KMP      |
| 2       | Mrs. Darshana Pandya | Whole-time Director & Chief Executive Officer | KMP      |
| 3       | Mr. Dhvanil Gandhi*  | Whole-time Director                           | KMP      |
| 4       | Mr. Ankit Jain       | Chief Financial Officer                       | KMP      |
| 5       | Ms. Riddhi Bhayani   | Company Secretary & Chief Compliance Officer  | KMP      |

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

List of Senior Management Personnel of the Company as on March 31, 2025:

| Sr. No. | Name                | Designation                     | Category |
|---------|---------------------|---------------------------------|----------|
| 1.      | Mr. Saumil Pandya   | President & Head Retail Assets  | SMP      |
| 2.      | Mr. Nishant Jain    | CRO                             | SMP      |
| 3.      | Mr. Dipak Dangar    | COO – RAC                       | SMP      |
| 4.      | Mr. Bhavesh Patel   | Head – Accounts                 | SMP      |
| 5.      | Mr. Sunil Shah      | Head - Portfolio Management     | SMP      |
| 6.      | Mr. Gaurang Kasudia | EDP                             | SMP      |
| 7.      | Mr. Rajen Shah      | CTO                             | SMP      |
| 8.      | Mr. Bharat Aswani   | Credit - Head                   | SMP      |
| 9.      | Ms. Deepika Agrawal | Head - Internal Auditor         | SMP      |
| 10.     | Mr. Hitesh Ganatra  | Head–Human Resource Development | SMP      |
| 11.     | Mr. Ravi Shah       | Head - Collection               | SMP      |
| 12.     | Mr. Darshil Thakkar | Head - Credit                   | SMP      |
| 13.     | Mr. Nipul J. Mehta  | COO - Retail Assets             | SMP      |

\*Appointed as Director w.e.f. August 14, 2024 due to which his category was updated from SMP to KMP.

#### Changes in Senior Management Personnel during FY 2024-25:

| Sr. No. | Name of SMP         | Designation                             | Reason for change   | Effective date of change |
|---------|---------------------|---|---|--------------------------|
| 1.      | Mr. Dhvanil Gandhi* | Whole-time Director                     | Promoted as Whole time Director from Executive Vice President | August 14, 2024          |
| 2.      | Mr. Ravi Shah       | Head - Collection                       | Appointment   | July 24, 2024            |
| 3.      | Mr. Darshil Thakkar | Head - Credit                           | Appointment   | July 24, 2024            |
| 4.      | Mr. Nipul J. Mehta  | Chief Operating Officer - Retail Assets | Appointment   | March 04, 2025           |
| 5.      | Mr. Dipak Dangar    | Chief Operating Officer – RAC           | Resignation   | March 31, 2025           |
| 6.      | Mr. Vivek Vyas      | Chief Operating Officer – RAC           | Appointment   | April 01, 2025           |

Further, the Company has a mechanism in place for ensuring orderly succession of appointments to the Board and to senior management positions.

**F. General Body Meetings****a. Annual General Meetings:**

| Financial Year | Date               | Location of Meeting   | Time       | No. of Special Resolutions passed |
|----------------|--------------------|---|------------|-----------------------------------|
| 2023-24        | September 11, 2024 | The Company had conducted the Annual General Meeting through Video Conferencing (VC)/ Other Audio Visual Means (OVAM) in line with the MCA Circular | 11.30 A.M. | Nil                               |
| 2022-23        | July 26, 2023      | The Company had conducted the Annual General Meeting through Video Conferencing (VC)/ Other Audio Visual Means (OVAM) in line with the MCA Circular | 11.30 A.M. | 3                                 |
| 2021-22        | August 24, 2022    | The Company had conducted the Annual General Meeting through Video Conferencing (VC)/ Other Audio Visual Means (OVAM) in line with the MCA Circular | 11.30 A.M. | 3                                 |

Following Special Resolutions were passed through remote E-voting and e-voting during the meeting, as per the procedure prescribed under Section 108 & Section 109 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2011 under the overall supervision of the Scrutinizer, Mr. Ravi Kapoor, Practicing Company Secretary.

| Resolution(s) | Details of Resolution(s)   | Resolution(s) Passed on | Total No. of votes in favour | Total No. of votes against | % of votes in favour | % of votes against |
|---------------|--|-------------------------|------------------------------|----------------------------|----------------------|--------------------|
| Special       | Re-appointment of Mr. Kamlesh C. Gandhi (DIN: 00044852) as the Managing Director of the Company  | July 26, 2023           | 5,00,29,475                  | 11,73,745                  | 97.71                | 2.29               |
| Special       | Appointment of Mr. Narayanan Sadanandan (DIN: 07263104) as an Independent Director of the Company  | July 26, 2023           | 5,12,02,969                  | 251                        | 100                  | 0.00               |
| Special       | Alteration of Articles of Association of the Company   | July 26, 2023           | 5,12,02,922                  | 298                        | 100                  | 0.00               |
| Special       | Re-appointment Mr. Umesh Shah (DIN: 07685672) as an Independent Director of the Company for a term of 5 years.                             | August 24, 2022         | 4,92,43,864                  | 4,86,166                   | 99.02                | 0.98               |
| Special       | Approval for increasing the Borrowing Powers under Section 180(1)(c) upto ₹ 10,000 Crores  | August 24, 2022         | 4,96,82,589                  | 47,441                     | 99.90                | 0.10               |
| Special       | Approval for creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under section 180(1)(a). | August 24, 2022         | 4,96,82,223                  | 47,807                     | 99.90                | 0.10               |

All of the aforesaid resolutions were passed by the shareholders by overwhelming and requisite majority.

**b. Extra-Ordinary General Meeting: NIL**

No Extraordinary General Meeting was held during the Financial Year under review.

**c. Details of resolutions passed through postal ballot: During the year under review, the Company had sought approval of the members through postal ballot, the details of the same are given below:****(i) Postal Ballot notice dated June 05, 2024**

| Resolution         | Details of Resolution   | Resolution Passed on | Total No. of votes in favour | Total No. of votes against | % of votes in favour | % of votes against |
|--------------------|---|----------------------|------------------------------|----------------------------|----------------------|--------------------|
| Special Resolution | Appointment of Mr. Vishal Nagendra Vasu (DIN: 02460597) as an Independent Director of the Company for a term of five consecutive years. | July 19, 2024        | 147505715                    | 11023                      | 99.99                | 0.01               |

(ii) **Postal Ballot notice dated March 04, 2025**

| Resolution         | Details of Resolution  | Resolution Passed on | Total No. of votes in favour | Total No. of votes against | % of votes in favour | % of votes against |
|--------------------|--|----------------------|------------------------------|----------------------------|----------------------|--------------------|
| Special Resolution | Appointment of Dr. Barnali Chaklader (DIN: 10970760) as an Independent Woman Director of the Company for a term of one year. | April 05, 2025       | 158895868                    | 677                        | 100                  | Negligible         |

M/s. Ravi Kapoor & Associates (Membership No. FCS 2587) was appointed as the Scrutinizer for conducting the postal ballot in a fair and transparent manner.

The aforesaid resolutions were passed by the shareholders by overwhelming and requisite majority.

**PROCEDURE FOR POSTAL BALLOT:**

All the aforesaid Postal Ballots were carried out as per the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations, as amended and in accordance with the requirements prescribed by the MCA vide General Circulars issued in this regard from time to time, the Company has engaged the services of Central Depository Services (India) Limited ("CDSL") for providing the remote e-voting facility to all its Members.

Pursuant to the provisions of the Act and the Listing Regulations, the Company sent the Postal Ballot Notice only in electronic form to those Members, whose names appeared in the Register of Members/List of Beneficial Owners and whose e-mail addresses are registered with the Company/Company's Registrar and Share Transfer Agent/Depositories as on the respective Cut-Off Dates (i.e. Friday, June 14, 2024 for Postal Ballot notice dated June 05, 2024 and Friday, February 28, 2025 for Postal Ballot notice dated March 04, 2025). The Company has provided facility to the members to exercise votes through electronic voting system ('remote e-voting').

The Company also published notice in the newspapers for the information of the members. Voting rights were reckoned on the equity shares held by the members as on the cut-off date Friday, June 14, 2024 and Friday, February 28, 2025 respectively. Pursuant to the provisions of the Act, the Company had appointed M/s. Ravi Kapoor & Associates (Membership No. FCS 2587), scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submitted his consolidated report to the Chairman and the voting results were announced by the Company by placing the same along with the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges on (July 20, 2024 for Postal Ballot notice dated June 05, 2024 and April 07, 2025 for Postal Ballot notice dated March 04, 2025). The resolution was passed with requisite majority, and the date of passing the same shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or remote e-voting i.e. July 19, 2024 and April 05, 2025 respectively. The Postal ballot was conducted in due compliance with all the statutory provisions under the Act and Listing Regulations.

d. As on date of this report, no Special Resolution is proposed to be conducted through Postal Ballot.

**G. MEANS OF COMMUNICATION:**

a. **Financial Results:**

The quarterly, half-yearly and annual results are published in widely circulating national and local dailies such as "Free Press Gujarat" in English and "Lok Mitra" in Gujarati language and are displayed on the website of the Company [www.mas.co.in](http://www.mas.co.in).

b. **Website:**

The Company's website [www.mas.co.in](http://www.mas.co.in) contains a separate dedicated section namely "Investors" where shareholders information is available. The Annual Report of the Company is also available on the website of the Company <https://www.mas.co.in/annual-reports.aspx> in a downloadable form.

c. **Presentations/News Releases:**

During the year under review, the Company has made presentations to institutional investors / to the analysts and it is available on the website of the Company <https://www.mas.co.in/investor-presentation.aspx>. Further, the Company has displayed official news releases which are available on company's website [www.mas.co.in](http://www.mas.co.in).

**H. GENERAL SHAREHOLDERS INFORMATION:**

a. **Company Registration details:**

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910GJ1995PLC026064.

b. **Registered Office:**

6, Narayan Chambers, Ground floor, B/H Patang Hotel Ashram Road, Ahmedabad – 380 009, Gujarat.

c. **Date, time and venue of the 30th Annual General Meeting:**

30<sup>th</sup> Annual General Meeting is to be held on Wednesday, September 3, 2025 at 11:30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

**d. Financial Year:**

Financial year is April 1, 2025 to March 31, 2026 and financial results will be declared as per the following schedule:

| Particulars                          | Tentative Schedule             |
|--------------------------------------|--------------------------------|
| <b>Quarterly Results</b>             |                                |
| Quarter ending on June 30, 2025      | On or before August 14, 2025   |
| Quarter ending on September 30, 2025 | On or before November 14, 2025 |
| Quarter ending on December 31, 2025  | On or before February 14, 2026 |
| Annual Result of 2025-26             | On or before May 30, 2026      |

**e. Dividend Payment:**

The Company had paid an Interim Dividend of ₹ 1/- (Rupees One only) per share on 18,14,53,377 Equity Shares of ₹ 10/- fully paid up (10%) aggregating to ₹ 18,14,53,377/- (Rupees Eighteen Crore Fourteen Lakh Fifty Three Thousand Three Hundred Seventy Seven only), during the financial year 2024-25. The same was declared by Board of Directors in their meeting held on January 29, 2025. The said dividend was paid on February 12, 2025.

Your Directors are pleased to recommend a Final Dividend of ₹ 0.70/- (Rupees Zero decimal Seventy Paise Only) per Equity Share on 18,14,53,377 Equity Shares of ₹ 10/- fully paid up (7%) aggregating to ₹ 12,70,17,363.9/- (Rupees Twelve Crore Seventy Lakh Seventeen Thousand Three Hundred Sixty Three and Nine Paise Only) for the Financial year 2024-25, subject to the approval of members in the ensuing Annual General Meeting of the Company. The payment of Final Dividend shall be paid to those members whose names appears in the Register of Members of the Company or in the records of depositories as beneficial owners of Equity Shares as on Wednesday, August 27, 2025. The payment of final dividend will be subject to deduction of tax at source as per the applicable rate.

**Tax deducted at source (TDS) on dividend**

As per the amended Income Tax Act, 1961, through the Finance Act, 2020, there will be no dividend distribution tax payable by the Company. The dividend, if declared, will be taxable in hands of the shareholders. For details, shareholders are requested to refer to the Notice of AGM.

**Unclaimed dividend**

Pursuant to the provisions of section 124(5) of the Companies Act, 2013 (the 'Act') and section 205A of the erstwhile Companies Act, 1956 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, any amount transferred by the Company to the unpaid dividend account and which remained unclaimed for a period of seven years from the date of such transfer shall be

transferred to the Investor Education and Protection Fund ('Fund') set up by Central Government.

Accordingly, the unpaid/unclaimed final dividend for FY 2017-18, is due for transfer to the Fund by August 2025. Members are requested to verify their records and send their claim, if any, for the said year. Communication is being sent to those members, who have not yet claimed dividend requesting them to claim the same as well as unpaid dividend, if any, for subsequent years.

The Company has also hosted the details of unclaimed/unpaid dividend on its website at <https://www.mas.co.in>, which can be accessed through via link <https://mas.co.in/dividenddd.aspx>

**Transfer of shares to IEPF**

Pursuant to the provisions of section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (the "IEPF Rules"), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to Demat Account of the Authority of Investor Education and Protection Fund ("IEPF"), by the Company within a period of thirty days of expiry of said seven years.

In this regard, the Company has taken various steps on an ongoing basis to reach out to shareholders, through emails, and other means, whose shares are due to be transferred to IEPF on account of not claiming dividend for a consecutive period of seven years.

Members who have not claimed dividends from FY 2017-18 onwards are requested to approach the Company/MUFG Intime India Private Limited (RTA)/ their depositories to update their records and for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF's demat account.

During the year under review, the Company has transferred to IEPF a sum of ₹ 30,138/- being the amount towards unpaid / unclaimed dividend on the equity shares of the Company along with the underlying shares. The unclaimed / unpaid dividend amount transferred is out of the interim dividend declared for FY 2017-2018. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority.

**f. Book closure date:**

The Register of Members and Share Transfer Books of the Company will be closed from Thursday, August 28, 2025 to Wednesday, September 3, 2025 (both days inclusive) for the purpose of 30<sup>th</sup> Annual General Meeting.



**g. Listing on Stock Exchanges:**

The Company's Equity Shares are listed on the both the stock exchange details of the same are given below. The ISIN of the Company is **INE348L01012**.

|   |  |
|---|--|
| <b>BSE Limited</b><br>PhirozeJeejeebhoy Towers<br>Dalal Street<br>Mumbai – 400001<br>Scrip Code: 540749 | <b>National Stock Exchange of India Limited</b><br>Exchange Plaza<br>Plot No. C/1, G Block<br>Bandra-Kurla Complex<br>Bandra (East)<br>Mumbai – 400051<br>Trading Symbol: MASFIN |
|---|--|

The Company's Debt Securities are listed on BSE Ltd.

Annual listing fees for the year 2025-26 have been paid by the Company to BSE Ltd. & National Stock Exchange of India Limited.

**h. Registrar & Transfer Agents**

**MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)**

Registered Office Address:

C-101, 1<sup>st</sup> Floor,  
247 Park Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400 083  
Tel No.: +91 22 -49186200  
Fax No.: +91 22 -49186195  
Email: [rnt.helpdesk@in.mpms.muvg.com](mailto:rnt.helpdesk@in.mpms.muvg.com);  
Web: [www.linkintime.co.in](http://www.linkintime.co.in)

Branch/Correspondence Address:

506 To 508, Amarnath Business Centre – 1,  
Beside Gala Business Centre,  
Nr. St. Xavier's College Corner, Off, Chimanlal Girdharlal Rd,  
Sardar Patel Nagar, Ellisbridge,  
Ahmedabad – 380006  
Tel No.: +91 79 26465179 /86 / 87  
Fax No.: +91 79 26465179  
Email: [ahmedabad@in.mpms.muvg.com](mailto:ahmedabad@in.mpms.muvg.com)

**i. Share Transfer Procedure:**

SEBI has mandated transfer of securities of listed companies only in dematerialized form with effect from April 1, 2019. As on March 31, 2025, all the shares of the Company are traded in dematerialized mode and are freely tradable.

The Registrar and Share Transfer Agents provides investor related services such as transfer, demat, remat and such other services in coordination with the Company.

Pursuant to SEBI (Depositories and Participants) Regulations, 1996 and SEBI (Depositories and Participants) Regulations, 2018, a certificate have also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting Secretarial Audit on a quarterly basis for reconciliation of the share capital of the Company. The Company files copy of these certificates with the stock exchange as required.

**j. Shareholding as on March 31, 2025:**

**a. Distribution of Shareholding as on March 31, 2025:**

| Range of No. of Shares | No. of Shareholders |            | Shares held         |               |
|------------------------|---------------------|------------|---------------------|---------------|
|                        | Number              | %          | Number              | %             |
| 1-500                  | 44408               | 87.3898    | 4436493             | 2.4450        |
| 501-1000               | 3482                | 6.8522     | 2520272             | 1.3889        |
| 1001-2000              | 1660                | 3.2667     | 2337806             | 1.2884        |
| 2001-3000              | 486                 | 0.9564     | 1204772             | 0.6640        |
| 3001-4000              | 228                 | 0.4487     | 796320              | 0.4389        |
| 4001-5000              | 114                 | 0.2243     | 518094              | 0.2855        |
| 5001-10000             | 211                 | 0.4152     | 1452667             | 0.8006        |
| 10001 and above        | 227                 | 0.4467     | 168186953           | 92.6888       |
| <b>Total</b>           | <b>50816</b>        | <b>100</b> | <b>18,14,53,377</b> | <b>100.00</b> |

**b. Shareholding Pattern as on March 31, 2025:**

| Category   | No. of shares held |              | Total No. of Shares | % of Holding |
|--|--------------------|--------------|---------------------|--------------|
|  | Physical           | Demat        |                     |              |
| Promoter and Promoter Group                                      | -                  | 12,09,01,962 | 12,09,01,962        | 66.63        |
| Mutual Funds   | -                  | 2,33,40,557  | 2,33,40,557         | 12.86        |
| Banks/FI/Central Govt./State Govts/ Trusts & Insurance Companies | -                  | 9,42,383     | 9,42,383            | 0.52         |
| Foreign Institutional Investors/ Portfolio Investor              | -                  | 56,63,141    | 56,63,141           | 3.12         |
| NRI  | -                  | 9,75,279     | 9,75,279            | 0.54         |
| Foreign Nationals  | -                  | -            | -                   | -            |

| Category                          | No. of shares held |                     | Total No. of Shares | % of Holding  |
|-----------------------------------|--------------------|---------------------|---------------------|---------------|
|                                   | Physical           | Demat               |                     |               |
| Foreign Companies                 | -                  | -                   | -                   | -             |
| Bodies Corporate                  | -                  | 26,87,438           | 26,87,438           | 1.48          |
| Clearing Member                   | -                  | 4,144               | 4,144               | 0.00          |
| Directors / Relatives of Director | -                  | 1,01,091            | 1,01,091            | 0.06          |
| Indian Public / HUF               | -                  | 6,21,386            | 6,21,386            | 0.34          |
| Trusts                            | -                  | -                   | -                   | -             |
| NBFCs registered with RBI         | -                  | -                   | -                   | -             |
| Alternate Investment Funds        | -                  | 1,22,49,382         | 1,22,49,382         | 6.75          |
| Others                            | -                  | 1,39,66,614         | -                   | 0.36          |
| <b>Total</b>                      | <b>-</b>           | <b>18,14,53,377</b> | <b>18,14,53,377</b> | <b>100.00</b> |

**k. Dematerialization of Shares and Liquidity**

The Company's shares are traded in dematerialized form. All the Equity shares of the Company are dematerialized as on March 31, 2025.

The Company's shares are traded on the 'BSE Limited' and 'National Stock Exchange of India Limited'.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE348L01012.

**l. Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion and likely impact on equity:**

There is no outstanding ADR/GDR, Warrants, or any other convertible instrument likely impact on equity.

**m. Commodity Price Risk / Foreign Exchange Risk and Hedging:**

Commodity Price Risk / Foreign Exchange Risk and Hedging is not applicable to the Company.

**n. Site location:**

The Company is in service sector and does not have any Site / Plant locations. However, the Company operates from its Registered Office only and has 204 branches as on 31<sup>st</sup> March, 2025.

**o. Address of Correspondence:****i) MAS Financial Services Limited**

**Ms. Riddhi Bhaveshbhai Bhayani**

Company Secretary and Chief Compliance Officer

6, Narayan Chamber, Ground Floor,  
Behind Patang Hotel, Ashram Road,  
Ahmedabad – 380 009

E-Mail: [riddhi\\_bhayani@mas.co.in](mailto:riddhi_bhayani@mas.co.in)

Phone: +91-79-41106638

**ii) For transfer/dematerialization of shares, change of address of members and other queries:**

**MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)**

Mr. Nilesh Dalwadi

506 to 508, Amarnath Business Centre – 1,  
Beside Gala Business Centre,

Nr. St. Xavier's College Corner, Off. Chimanlal Girdharlal Rd.,  
Sardar Patel Nagar, Ellisbridge,

Ahmedabad – 380006

Tel No.: +91 79 26465179 / 86 / 87

Fax No.: +91 79 26465179

Email: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)/  
[ahmedabad@in.mpms.mufg.com](mailto:ahmedabad@in.mpms.mufg.com)

Web: [www.linkintime.co.in](http://www.linkintime.co.in)

**p. Credit Ratings:**

We are pleased to announce that Acuite Ratings and Research has upgraded Company's Bank Loan Ratings and Non-Convertible Debentures rating to 'Acuite AA; Stable' from the previous rating of 'Acuite AA-; Stable'.

This rating upgrade reaffirms the high reputation and trust that the Company has earned for its sound financial management and its ability to meet financial obligations.

**During the year, the rating agencies reaffirmed/issued/upgraded ratings of various facilities to the Company, as under:**

| Sr. No. | Type of Instrument         | Rating            |
|---------|----------------------------|-------------------|
| 1       | Long Term Bank Facilities  | ACUITE AA; Stable |
| 2       | Commercial Papers          | ACUITE A1+        |
| 3       | Non-Convertible Debentures | ACUITE AA; Stable |
| 4       | Long Term Bank Facilities  | CARE AA-; Stable  |
| 5       | Commercial Papers          | CARE A1+          |
| 6       | Non-Convertible Debentures | CARE AA-; Stable  |
| 7       | Subordinated Bond          | CARE AA-; Stable  |

**I. Other Disclosures:**

a. There were no materially significant Related Party Transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in Notes to Financial Statements of this Annual Report. The Board has approved a policy for related party transactions which is uploaded on the website of the Company at [www.mas.co.in](http://www.mas.co.in).

b. Details of capital market non-compliance, if any :

i. During the period under review, the following fine imposed by the stock exchanges for the non-compliance with the SEBI Listing Regulations:

- BSE Limited has imposed fine of ₹ 2,000 per day per ISIN (Debt) i.e. ₹ 88,000/- + GST, in the violation of Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for non-submission of information related to payment obligation. The Company has paid the necessary fines with the Stock Exchange(s) for the said non-compliance.
- BSE Limited and National Stock Exchange of India Limited have imposed fine of ₹ 5,000 per day + GST i.e. ₹ 1,15,000/- + GST in the violation of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, for non-compliance with the requirements pertaining to the composition of the Board. The Company has paid the necessary fines with the Stock Exchange(s) for the said non-compliance.

There has been no delay or default in the payment of interest or principal to the debenture holders.

ii. Details of fine imposed by stock exchange during the last three years:

- BSE Limited had imposed fine of ₹ 10,000/- + GST in the violation of Regulation 42(2)/42(3)/42(4)/42(5) non-compliance with ensuring the prescribed time gap between two record dates/ book closure dates and fine of ₹ 10,000/- + GST in the violation of Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, delay in submission of the notice of Record Date. The Company had paid the necessary fines with the Stock Exchange(s) for the said non-compliance.

c. Penalty Imposed by RBI:

The Reserve Bank of India (RBI) has imposed penalty of ₹ 15,600/- for non updation of CIBIL records within due timelines. The Company has paid requisite compensation of ₹ 15,600/- to the Customer as instructed by RBI.

Apart from aforesaid penalty, no other penalty or stricture has been imposed on the Company by any of the stock exchanges, SEBI, Reserve Bank of India (RBI) or any other statutory authority, in any matter related to capital markets.

The response of the management for the aforesaid fine levied by the BSE & NSE has been mentioned in the Directors Report of the Company.

d. The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at [www.mas.co.in](http://www.mas.co.in).

e. The Company has complied with all mandatory requirements laid down by the Regulation 27 of the Listing Regulations. The non-mandatory requirements complied with wherever requires and the same has been disclosed at the relevant places.

f. The Company has two Subsidiary Companies and therefore, the Company has adopted Policy for determining Material Subsidiary which is uploaded on the website of the Company at [www.mas.co.in](http://www.mas.co.in) and the weblink for the same is <https://mas.co.in/policy.aspx>

The details of Material Subsidiary Companies are as under: NA

- g. The Company has adopted Related Party Transactions Policy which is uploaded on the website of the Company at [www.mas.co.in](http://www.mas.co.in) and the weblink of the same is <https://mas.co.in/policy.aspx>.

- h. Commodity Price Risk / Foreign Exchange Risk and Hedging is not applicable to the company.

- i. During the year under review, the Company made a QIP of 1,74,67,248 equity shares of face value of ₹ 10/- each at a price of ₹ 286.25 per equity share (inclusive of premium of ₹ 276.25 per equity share), representing a discount of ₹ 15.06 (i.e. 4.99%) on the floor price of ₹ 301.31 per share, to Qualified Institutional Buyers aggregating to ₹ 500 crore in accordance with the provisions of SEBI ICDR Regulations and the Act on June 21, 2024.

Pursuant to the provisions of regulation 32(7A) of the SEBI Listing Regulations, the Company has fully utilized the funds raised through QIP for the objects stated in the offer document. Reports from Care Ratings Ltd., monitoring agency appointed for QIP has been filed with the stock exchanges and is also available on the Company's website at [www.mas.co.in](http://www.mas.co.in)

Further, the Company has raised the debt fund by way of issuance of Non-Convertible Debentures on a private placement basis. These debt funds have been utilized for the purpose for which the funds were raised.

- j. The Chief Executive Officer and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on March 31, 2025 in compliance with Regulation 17(8) of Listing Regulations. The certificate is appended as an Annexure to this report. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of Listing Regulations.

- k. A qualified Practicing Company Secretary carried out a reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Secretarial Audit confirms that the total issued/paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- l. We have obtained a certificate from Practicing Company Secretary that none of the directors on the board of the company have been debarred or

disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

- m. There were no circumstances where board had not accepted any recommendation of any committee of the board during the year.

- n. Total fees paid for the services to the statutory auditors is ₹ 49.15/- Lakh for the financial year 2024-25.

| Particulars                         | Amount in ₹ Lakhs |
|-------------------------------------|-------------------|
| Statutory audit                     | 20.88             |
| Limited review of quarterly results | 27.04             |
| Other Services                      | 1.23              |
| Reimbursements of expenses          | -                 |
| <b>Total</b>                        | <b>49.15</b>      |

- o. As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted a Special Complaints Committee. During the year 2024-25, no complaints were received by the Committee.

- p. disclosure by Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

| Sr. No. | Name of the Senior Management Personnel | Nature of Transaction | Amount (₹ In Crores) |
|---------|---|-----------------------|----------------------|
| Nil     |   |                       |                      |

- q. The Company has also adopted Material Events Policy, and Policy on Preservation of Documents which is uploaded on the website of the Company at [www.mas.co.in](http://www.mas.co.in) and the weblink of the same is <https://mas.co.in/policy.aspx>.

- r. Details of the familiarization programme of the independent directors are available on the website of the company at [www.mas.co.in](http://www.mas.co.in) and the weblink of the same is <https://mas.co.in/policy.aspx>.

- s. With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading [www.mas.co.in](http://www.mas.co.in).



- t. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It has obtained a certificate affirming the compliance of Conditions of Corporate Governance from Practicing Company Secretary, CS Ravi Kapoor and the same is attached to this Report.
- u. The Company has executed the Listing Agreement with the BSE Ltd. and the National Stock Exchange of India pursuant to Listing Regulations.
- v. As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking appointment/re-appointment at the forthcoming AGM are mentioned and in the Annexure to the Notice of the 30<sup>th</sup> AGM to be held on September 3, 2025.
- w. In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.
- x. The Company does not have any demat suspense account/unclaimed suspense account and therefore, the details pertaining to the same are not given.
- y. During the year under review, there were no complaint i.e. incidences of sexual harassment reported.
- z. There is no non-compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of Schedule V read with Regulation 34(3) of SEBI LODR Regulations.

aa. There are no promoter's shares in Lock-in.

- J. The Company has complied with all the mandatory requirements of the SEBI Listing Regulations including but not limited to the provisions of regulations 17 to 27 and 46(2)(b) to (i) of the said Regulations.

#### K. Breach of covenant

There is no breach in terms of covenants in respect of loans availed by us including incidence of default.

#### L. Divergence in Asset Classification and Provisioning

The additional provisioning requirements assessed by the Reserve Bank exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period: Not applicable

The additional Gross NPAs identified by the Reserve Bank exceeds 5 percent of the reported Gross NPAs for the reference period: Not applicable

| Sr. No. | Particulars   | Amount |
|---------|---|--------|
| 1       | Gross NPAs as on March 31, 20xx as reported by the NBFC   |        |
| 2       | Gross NPAs as on March 31, 20xx as assessed by the Reserve Bank   |        |
| 3       | Divergence in Gross NPAs (2-1)  |        |
| 4       | Net NPAs as on March 31, 20xx as reported by the NBFC   |        |
| 5       | Net NPAs as on March 31, 20xx as assessed by the Reserve Bank   |        |
| 6       | Divergence in Net NPAs (5-4)  |        |
| 7       | Provisions for NPAs as on March 31, 20xx as reported by the NBFC  |        |
| 8       | Provisions for NPAs as on March 31, 20xx as assessed by the Reserve Bank  |        |
| 9       | Divergence in provisioning (8-7)  |        |
| 10      | Reported Profit before tax and impairment loss on financial instruments for the year ended March 31, 20xx                         |        |
| 11      | Reported Net Profit after Tax (PAT) for the year ended March 31, 20xx   |        |
| 12      | Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 20xx after considering the divergence in provisioning |        |

Not applicable

\* March 31, 20XX is the close of the reference period in respect of which divergences were assessed.

- M. There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company pursuant to the clause 5A of paragraph A of Part A of Schedule III of SEBI LODR Regulation.

**DECLARATION**

I, Darshana Pandya, Whole-time Director & Chief Executive Officer of MAS Financial Services Limited hereby declare that as of March 31, 2025 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Directors and Senior Management Personnel laid down by the Company.

For and on behalf of the Board of Directors of

**MAS FINANCIAL SERVICES LIMITED****Darshana Pandya**

Whole-time Director & Chief Executive Officer  
(DIN: 07610402)

Date: July 23, 2025

Place: Ahmedabad

**CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

We, Mrs. Darshana Pandya, Whole-time Director & Chief Executive Officer and Mr. Ankit Jain, Chief Financial Officer of MAS FINANCIAL SERVICES LIMITED certify that:

We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2025 and to the best of our knowledge and belief:

- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- iii. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2025 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- iv. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- v. We further certify that we have indicated to the auditors and the Audit Committee:
  - a. There have been no significant changes in internal control over financial reporting system during the year;
  - b. There have been no significant changes in accounting policies during the year except for the changes disclosed in the note no. 32 to the standalone financial statements; and
  - c. There have been no instances of significant fraud, of which we have become aware, involving management or any employee having a significant role in the Company's internal control system over financial reporting.

**Darshana Pandya**

Whole-time Director & Chief Executive Officer  
(DIN: 07610402)

Date: July 23, 2025

Place: Ahmedabad

**Ankit Jain**

Chief Financial Officer

## **CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**MAS FINANCIAL SERVICES LIMITED**

We have examined the Compliance Conditions of Corporate Governance by **MAS FINANCIAL SERVICES LIMITED** for the year ended on 31<sup>st</sup> March, 2025 as per Para E of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 01<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The Compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: July 23, 2025  
Place: Ahmedabad

**Ravi Kapoor & Associates**

**Ravi Kapoor**  
Proprietor  
Mem. No FCS. 2587  
COP No.: 2407  
UDIN: F002587G000846177

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of

**MAS FINANCIAL SERVICES LIMITED**

6, Narayan Chambers Ground Floor

B/H Patang Hotel, Ashram Road,

Ahmedabad – 380 009.

We have examined online the relevant registers, records, forms, returns and disclosures received from the Directors of **MAS Financial Services Limited** having **CIN L65910GJ1995PLC026064** and having registered office at 6, Narayan Chambers Ground Floor, B/H Patang Hotel, Ashram Road, Ahmedabad – 380 009. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director         | DIN      | Date of appointment in Company |
|---------|--------------------------|----------|--------------------------------|
| 1       | Kamlesh Chimanlal Gandhi | 00044852 | 25/03/2010                     |
| 2       | Darshana Saumil Pandya   | 07610402 | 23/09/2016                     |
| 3       | Dhvanil Kamlesh Gandhi   | 10562922 | 14/08/2024                     |
| 4       | Umesh Rajanikant Shah    | 07685672 | 21/12/2016                     |
| 5       | Narayanan Sadanandan     | 07263104 | 21/06/2023                     |
| 6       | Vishal Nagendra Vasu     | 02460597 | 24/04/2024                     |
| 7       | Barnali Chaklader        | 10970760 | 04/03/2025                     |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, **Ravi Kapoor and Associates**

**Ravi Kapoor**

Proprietor

Mem. No FCS. 2587

CP No. 2407

UDIN: F002587G000846144

Date: July 23, 2025

Place: Ahmedabad



**DISCLOSURES PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023, LAST UPDATED JULY 17, 2025 (“SAID MASTER DIRECTION”).**

**RELATED PARTY TRANSACTIONS**

(Pursuant to clause 4.3 of Annex XXII of the said Master Direction)

- (1) Details of all material transaction with related parties are disclosed at Note No. 35 to the Standalone Financial Statements and Note No. 36 to the Consolidated Financial Statements;
- (2) The web-link for the policy on dealing with the Related Party Transactions is <https://mas.co.in/policy.aspx>

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

|     |  |  |
|-----|--|--|
| 1.  | Corporate Identity Number (CIN) of the Listed Entity   | L65910GJ1995PLC026064  |
| 2.  | Name of the Listed Entity  | MAS Financial Services Limited   |
| 3.  | Year of incorporation  | 1995   |
| 4.  | Registered office address  | 6 Ground Floor, Narayan Chambers, B/h Patang Hotel, Ashram Road, Ahmedabad, Gujarat – 380009   |
| 5.  | Corporate address  | 6 Ground Floor, Narayan Chambers, B/h Patang Hotel, Ashram Road, Ahmedabad, Gujarat – 380009   |
| 6.  | E-mail   | <a href="mailto:mfsl@mas.co.in">mfsl@mas.co.in</a>   |
| 7.  | Telephone  | 079-41106500   |
| 8.  | Website  | <a href="http://www.mas.co.in">www.mas.co.in</a>   |
| 9.  | Financial year for which reporting is being done   | April 1, 2024 to March 31, 2025  |
| 10. | Name of the Stock Exchange(s) where shares are listed  | BSE Limited and National Stock Exchange of India Limited   |
| 11. | Paid-up Capital  | ₹ 1,81,45,33,770/-   |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report   | Name: Ms. Riddhi Bhayani<br>Designation: Company Secretary & Chief Compliance Officer<br>E-mail Id: <a href="mailto:Riddhi.Bhayani@mas.co.in">Riddhi.Bhayani@mas.co.in</a><br>Contact Number: 079-41106638 |
| 13. | Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). : | Standalone basis   |
| 14. | Name of assessment or assurance provider   | NA   |
| 15. | Type of assessment of assurance obtained   | NA   |

### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of Main Activity                                       | Description of Business Activity | % of Turnover of the entity |
|--------|--|----------------------------------|-----------------------------|
| 1.     | Financial Service activities, except insurance and pension funding | Other financial activities       | 99.62%                      |

#### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/Service  | NIC Code | % of total Turnover Contributed |
|--------|--|----------|---------------------------------|
| 1.     | Non-Banking Finance Company engaged in lending and allied activities | 65923    | 99.62%                          |

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location      | Number of plants | Number of offices* | Total |
|---------------|------------------|--------------------|-------|
| National      | NA#              | 204                | 204   |
| International |                  | NA                 | NA    |

# MFSL is not engaged in manufacturing activities.

\*includes branches and corporate office as on March 31, 2025.

19. Markets served by the entity:

a. Number of locations

| Locations                        | Number                    |
|----------------------------------|---------------------------|
| National (No. of States)         | 13 States/Union Territory |
| International (No. of Countries) | NA                        |

\* Includes states and union territories as on March 31, 2025.

b. What is the contribution of exports as a percentage of the total turnover of the entity: Nil

c. A brief on types of customers: MAS Financial Services Limited offers a diverse range of financial products and services, with a core focus on delivering reliable and accessible solutions. We strive to support small and medium enterprises by providing tailored financial solutions, while also offering assistance in the form of two-wheeler loans, personal loans, and commercial vehicle loans. Our objective is to empower individuals and businesses alike by enabling their financial aspirations and fostering economic growth.

#### IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| S. No.    | Particulars                    | Total (A) | Male    |           | Female  |           |
|-----------|--------------------------------|-----------|---------|-----------|---------|-----------|
|           |                                |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| EMPLOYEES |                                |           |         |           |         |           |
| 1.        | Permanent (D)                  | 1758      | 1606    | 91.35%    | 152     | 8.65%     |
| 2.        | Other than Permanent (E)       |           |         | Nil       |         |           |
| 3.        | <b>Total employees (D + E)</b> | 1758      | 1606    | 91.35%    | 152     | 8.65%     |
| WORKERS   |                                |           |         |           |         |           |
| 4.        | Permanent (F)                  |           |         | Nil       |         |           |
| 5.        | Other than Permanent (G)       |           |         |           |         |           |
| 6.        | <b>Total workers (F + G)</b>   |           |         |           |         |           |

b. Differently abled Employees and workers:

| S. No                       | Particulars                                      | Total | Male    |           | Female  |           |
|-----------------------------|--|-------|---------|-----------|---------|-----------|
|                             |  | (A)   | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES |  |       |         |           |         |           |
| 1.                          | Permanent (D)                                    | 3     | 3       | 100%      | 0       | 0         |
| 2.                          | Other than Permanent (E)                         |       |         | Nil       |         |           |
| 3.                          | <b>Total differently abled employees (D + E)</b> | 3     | 3       | 100%      | 0       | 0         |
| DIFFERENTLY ABLED WORKERS   |  |       |         |           |         |           |
| 4.                          | Permanent (F)                                    |       |         | Nil       |         |           |
| 5.                          | Other than Permanent (G)                         |       |         |           |         |           |
| 6.                          | <b>Total differently abled workers (F + G)</b>   |       |         |           |         |           |

21. Participation/Inclusion/Representation of Women as on March 31, 2025:

|                          | Total (A) | No. and percentage of Females |           |
|--------------------------|-----------|-------------------------------|-----------|
|                          |           | No. (B)                       | % (B / A) |
| Board of Directors       | 07        | 02                            | 28.57%    |
| Key Management Personnel | 05        | 02                            | 40%       |

## 22. Turnover rate for permanent employees and workers as on March 31, 2025:

(Disclose trends for the past 3 years)

|                     | FY 2025<br>(Turnover rate in current FY) |        |       | FY 2024<br>(Turnover rate in previous FY) |        |       | FY 2023<br>(Turnover rate in the year prior to the previous FY) |        |       |
|---------------------|--|--------|-------|---|--------|-------|---|--------|-------|
|                     | Male                                     | Female | Total | Male                                      | Female | Total | Male  | Female | Total |
| Permanent Employees | 38.77                                    | 30.83  | 37.99 | 31.48                                     | 22.11  | 30.83 | 27.10   | 20.38  | 26.62 |
| Permanent Workers   | NA                                       |        |       | NA  |        |       | NA  |        |       |

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 23. (a) Names of holding / subsidiary / associate companies / joint ventures

| Sr. No. | Name of the holding / subsidiary/ associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|--|--|-----------------------------------|--|
| 1.      | MAS Rural Housing & Mortgage Finance Limited                               | Subsidiary   | 62.02%                            | No   |
| 2.      | Masfin Insurance Broking Private Limited                                   | Subsidiary   | 69%                               | No   |

## VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No)**(ii) Turnover (in ₹): **1520.45 Crore**(iii) Net worth (in ₹): **2585.80 Crore**

## VII. Transparency and Disclosures Compliances

## 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (yes/ No) (If yes, then provide web-link for grievance redress policy) | FY 2024-25 Current Financial Year          |  |         | FY 2023-24 Previous Financial Year         |  |         |
|---|---|--|--|---------|--|--|---------|
|   |   | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                       | Yes <a href="https://mas.co.in/policy.aspx">https://mas.co.in/policy.aspx</a>                                 | 0  | 0  | NA      | 0  | 0  | NA      |
| Investors (other than shareholders)               |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Shareholders                                      |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Employees and workers                             |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Customers*  |   | 1295                                       | 36   | NA      | 2729                                       | 8  | NA      |
| Value Chain Partners                              |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Other (please specify)                            |   | 0  | 0  | NA      | 0  | 0  | NA      |

\*The Company has received total 1295 complaints out of which 577 was received from partners in FY 2024-25, however in FY 2023-24, the total complaints were 2729 out of which 2493 was received from partners. Further, as on March 31, 2025, the total pending complaints were 36 out of which 10 pertaining to the Complaint received from partners. Total pending complaint as on March 31, 2024 were 8 out of which 4 were pertaining to the Complaint received from partners.



The company, in adherence to its policies, practices, and processes, upholds the principle of engaging with stakeholders and seeks to address any disparities in a manner that is just, fair, equitable, and consistent. Should the need arise; the company will take necessary corrective actions to rectify the situation. In addition the grievance mechanism is made available on the company's website.

## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

| S. No. | Material issue identified           | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|-------------------------------------|--|---|---|--|
| 1.     | Financial Inclusion                 | Opportunity                                | Enhancing quality of life for customers, particularly those residing in semi-urban and rural areas of India, where the availability of financial products and services is limited.  | --  | Positive   |
| 2.     | Regulatory Compliance               | Risk & Opportunity                         | Non-compliance of applicable regulations may lead to regulatory action and reputational damage.<br><br>The updated regulations promote high level of transparency & governance which leads to meet the highest standards to enhance stakeholder's trust   | Systems are in place to track regulatory changes. Risk assessments are carried out to identify potential compliance risks. The Company strives to ensure adherence to regulatory requirements at all times. | Positive & Negative  |
| 3.     | Data Privacy and Cyber Security     | Risk                                       | Companies are assessed based on the amount of personal data they collect, their exposure to evolving or increasing privacy regulations, their vulnerability to potential data breaches, and their data protection systems.  | To mitigate data security and privacy risks, the Company has implemented measures such as installing firewalls, upgrading security and creating data backups.   | Negative   |
| 4.     | Information Technology & Innovation | Opportunity                                | As a NBFC, digital and business innovation is vital. It facilitates improved operational efficiency, cost reduction, betterment of customer service, and broadening of market access. Digitalization and innovation have unleashed opportunities in new markets and areas that were earlier difficult to penetrate and helps enhance value creation for customers and other stakeholders. | --  | Positive   |
| 5.     | Customer Support and Satisfaction   | Risk                                       | Company is catering to many customers and any event or activity could impact the customer and reputation of the company   | Strong Customer grievance policy and process and continuous education to customer and staff helps the company to mitigate the risk  | Negative   |
| 6.     | Employee Well-Being                 | Opportunity                                | Prioritizing the welfare of employees can enhance their morale and positively affect their work.  | --  | Positive   |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate   | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|--|--|--|
| 7.     | CSR                       | Opportunity                                | Giving back to the community ensures social license to operate, as also economic development of underprivileged, broadening economic activity and offering opportunities for financial services.   | --   | Positive   |
| 8.     | Climate Risk              | Risk & Opportunity                         | Risk: The Company is extending credit to used commercial vehicle which may have adverse impact on environment. Reputational Risk may arise if company is not able to achieve stakeholders expectation on climate related disclosures.<br>Opportunities: Increased awareness about climate change has accelerated the adoption of environment friendly products such as electric vehicles, CNG Vehicle etc, thereby creating an opportunity to finance and insure such class of assets. | ESG framework is put in place. Company will do enhanced due diligence and monitoring on ESG risk on certain loans. The company will Recognise opportunities to increase energy efficiency across the organisation which will bring in cost efficiencies over the longer term | Positive & Negative  |
| 9.     | Risk Management           | Opportunity                                | Risk management offers reasonable assurance that the group's objectives will be achieved. It involves identifying, assessing, and mitigating potential risks to ensure sustained operational and strategic success.  | --   | Positive   |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions  |  | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |  |    |    |    |    |    |    |    |    |  |
|---|--|--|----|----|----|----|----|----|----|----|--|----|----|----|----|----|----|----|----|--|
| Policy and management processes   |  |  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 1.  | a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)  | Yes  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
|   | b. Has the policy been approved by the Board? (Yes/No)   | Yes  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
|   | c. Web Link of the Policies, if available  | <a href="https://www.mas.co.in/policy.aspx">https://www.mas.co.in/policy.aspx</a>  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 2.  | Whether the entity has translated the policy into procedures. (Yes / No)   | Yes  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 3.  | Do the enlisted policies extend to your value chain partners? (Yes/No)   | No   |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 4.  | Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | The formulation of all policies has been guided by industry best practices and in compliance with regulatory mandates.   |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 5.  | Specific commitments, goals and targets set by the entity with defined timelines, if any.  | <p>As we embark on our Environmental, Social, and Governance (ESG) journey, we fully acknowledge the critical importance of setting clear, measurable targets to ensure our alignment with the principles outlined in the National Guidelines on Responsible Business Conduct. Although we are currently in the second year of integrating ESG considerations into our operations, we are committed to establishing well-defined objectives and performance metrics in the forthcoming reporting period.</p> <p>Our dedication goes beyond compliance; we strive to seamlessly integrate ESG initiatives with our core business strategy, fostering a holistic approach to sustainability that drives long-term value for all our stakeholders. By implementing a robust and comprehensive ESG framework, we aim to not only enhance our environmental stewardship and social responsibility but also to strengthen governance practices across the organization.</p> <p>We are committed to continuous improvement in our ESG efforts and eagerly anticipate transparently sharing our progress and achievements in the periods ahead. This journey reflects our broader ambition to be a responsible and forward-thinking organization that contributes positively to society while delivering sustainable growth.</p> |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 6.  | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.   | We are fully committed to providing detailed performance updates, prioritizing clear communication of achievements, financial outcomes, and strategic progress in the years ahead with diligence and transparency.   |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| Governance, leadership and oversight  |  |  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 7.  | Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)                                       | Please refer to message from the Chairman & Managing Director.   |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 8.  | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).   | Name: Mr. Kamlesh Gandhi Designation: Chairman & Managing Director<br>DIN: 00044852  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 9.  | Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.   | Yes, ESG Committee of the Board of Directors consisting of senior management personnel of the Company to monitor various aspects of social, environmental and governance responsibilities is responsible for decision making on sustainability related issues  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 10. Details of Review of NGRBCs by the Company:   |  |  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
|   |  | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee   |    |    |    |    |    |    |    |    | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) |    |    |    |    |    |    |    |    |  |
|   |  | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |  |
|   | Performance against above policies and follow up action  | As a standard procedure, the company's policies undergo regular or as-needed reviews by the board to ensure their relevance and effectiveness.   |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
|   | Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances   | The company is in compliance with the extant regulations as applicable.  |    |    |    |    |    |    |    |    |  |    |    |    |    |    |    |    |    |  |
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. |  |  |    |    |    |    |    |    |    |    | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |  |
|   |  |  |    |    |    |    |    |    |    |    | Evaluation is a continuous process and is done internally.               |    |    |    |    |    |    |    |    |  |

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions   | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----|----|----|----|----|----|----|----|----|
| The entity does not consider the Principles material to its business (Yes/No)   |    |    |    |    | NA |    |    |    |    |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) |    |    |    |    | NA |    |    |    |    |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         |    |    |    |    | NA |    |    |    |    |
| It is planned to be done in the next financial year (Yes/No)  |    |    |    |    | NA |    |    |    |    |
| Any other reason (please specify)   |    |    |    |    | NA |    |    |    |    |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1** Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment                                       | Total number of training and awareness programmes held | Topics/ principles covered under the training and its impact   | %age of persons in respective category covered by the awareness programmes |
|---|--|--|--|
| Board of Directors & Key Managerial Personnel | BOD – 5 KMP - 8  | 1. Significant changes in regulatory framework, quarterly and financial results through the Board/Committee meetings and program(s).<br>2. The company carries out familiarization programmes for its directors, as required under the SEBI Listing regulations. Stage of induction of Independent directors.<br>3. Updating the Independent directors about the ongoing events and developments relating to the Company.<br>4. Training on BRSR Requirements and Company's preparedness towards BRSR Reporting.<br>5. Functioning of various Committees of the Board and business and operations of the Company, risk management, IT strategies, etc. | 100%   |
| Employees other than BoD and KMPs             | 1511   | The Company prioritizes employee training and development, investing resources to keep staff updated on the latest trends and technologies. We regularly conduct awareness programs on key topics such as prevention of sexual harassment (POSH), whistleblowing, customer relationship management, code of conduct, ethics, cybersecurity, data privacy, ESG awareness, KYC-AML compliance, fraud prevention, functional skills, and insider trading.   | 100%   |
| Workers                                       |  | NA   |  |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on entity's website:

| Monetary        |                 |   |               |                   |  |
|-----------------|-----------------|---|---------------|-------------------|--|
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in ₹) | Brief of the Case | Has an appeal been preferred? (yes/No) |
| Penalty/ Fine   |                 | Please refer Directors report for the further detail.               |               |                   |  |
| Settlement      | Nil             | Nil   | 0             | Nil               | Nil                                    |
| Compounding Fee | Nil             | Nil   | 0             | Nil               | Nil                                    |



| Non-Monetary |                 |   |                   |  |
|--------------|-----------------|---|-------------------|--|
|              | NGRBC Principle | Name of the regulatory/enforcement agencies/judicial institutions | Brief of the Case | Has an appeal been preferred? (yes/No) |
| Imprisonment | Nil             | Nil   | Nil               | Nil                                    |
| Punishment   | Nil             | Nil   | Nil               | Nil                                    |

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes.

The Company has zero tolerance towards unethical business practices and prohibits bribery and corruption in any form in all of its business dealings through necessary policies, codes and charters. All the employees of the Company must adhere to the commitment of integrity and other responsible business conduct principles laid down in Employee Charter.

Some of these policies, codes and charters are available on Company's website: <https://mas.co.in/policy.aspx>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

|           | FY 2024-25 (Current Financial year) | FY 2023-24 (Previous Financial year) |
|-----------|-------------------------------------|--------------------------------------|
| Directors | Nil                                 | Nil                                  |
| KMPs      | Nil                                 | Nil                                  |
| Employees | Nil                                 | Nil                                  |
| Workers   | NA                                  | NA                                   |

6. Details of complaints with regard to conflict of interest:

|  | FY 2024-25 (Current Financial year) |         | FY 2023-24 (Previous Financial year) |         |
|--|-------------------------------------|---------|--------------------------------------|---------|
|  | Number                              | Remarks | Number                               | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil                                 | Nil     | Nil                                  | Nil     |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | Nil                                 | Nil     | Nil                                  | Nil     |

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. – N.A.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:\*

|                                    | FY 2024-25 (Current Financial year) | FY 2023-24 (Previous Financial year) |
|------------------------------------|-------------------------------------|--------------------------------------|
| Number of days of accounts payable | Nil                                 | Nil                                  |

\*Considering the nature of business of the entity, cost of goods sold/services procured cannot be ascertained and hence the said ratio cannot be computed.

## 9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics  | FY 2024-25<br>(Current Financial year) | FY 2023-24<br>(Previous Financial year) |
|----------------------------|--|--|---|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                                 | NA                                     | NA                                      |
|                            | b. Number of trading houses where purchases are made from                                | NA                                     | NA                                      |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses      | NA                                     | NA                                      |
| Concentration of Sales     | a. Sales to dealers / distributors as % of total sales                                   | NA                                     | NA                                      |
|                            | b. Number of dealers / distributors to whom sales are made                               | NA                                     | NA                                      |
|                            | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | NA                                     | NA                                      |
| Share of RPTs in           | a. Purchases (Purchases with related parties / Total Purchases)                          | NA                                     | NA                                      |
|                            | b. Sales (Sales to related parties / Total Sales)  | NA                                     | NA                                      |
|                            | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | NA                                     | NA                                      |
|                            | d. Investments (Investments in related parties / Total Investments made)                 | 4.80%                                  | 7.81%                                   |

## Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year.

We are committed to promoting responsible and sustainable business practices among our value chain partners, with awareness programs planned for the coming years.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)  
If Yes, provide details of the same.

We maintain a zero-tolerance policy towards unethical business practices and prioritize adherence to relevant principles, including those related to conflict of interest. Additionally, the company ensures compliance with our Code of Conduct by obtaining annual declarations from directors affirming their commitment to upholding ethical standards. In addition the Company has policies on related party transaction which requires all the transactions done in ordinary course of business are at arm's length price to avoid dealing with possible conflicts of Interest.

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**

## Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Given the nature of MFSL's business, we continuously make expenditure in specific technologies including on IT hardware and software. We believe better adoption of digital platforms not only brings in increased efficiencies of operations but also ensures substantially through reduced consumption of paper.

|       | Current Financial Year | Previous Financial Year | Details of improvements in environmental and social impacts |
|-------|------------------------|-------------------------|---|
| R&D   |                        | NA*                     |   |
| Capex |                        |                         |   |

\* The Company being engaged in financial service businesses, focuses on automation of its processes. Our expenditures are primarily directed toward investments in technology and software licenses aimed at enhancing customer experience, managing customer data, advancing digital business initiatives, and supporting energy-saving measures to reduce our environmental and carbon footprint.

2. a. Does the entity have procedures in place for sustainable sourcing?
- The Company provides financial products and services, and thus neither has a sizeable consumption of any raw material nor produces any tangible goods. Its activities are limited to providing financial solutions to serve the needs of the people; hence we do not currently maintain records for sustainable sourcing. However, efforts to reduce its own carbon footprints through various digitization initiatives and environmentally friendly initiatives such as plastic use reduction are being taken for conservation of resources.

- b. If yes, what percentage of inputs was sourced sustainably?

Refer point 2(a) above

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

- Given the nature of the business of providing financial services to its customers and does not manufacture any products; hence we do not currently maintain records for hazardous and other waste generation.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Given the nature of our business, the above is not applicable.

#### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code   | Name of Product / Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link. |
|--|---------------------------|---------------------------------|--|---|--|
| Given the nature of the business of providing financial services to its customers and does not manufacture any products, hence this won't be applicable. |                           |                                 |  |   |  |

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

None other than those identified in S. No. 26 of Section A above.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

As our company operates in the financial services sector and does not engage in manufacturing, the specific clause mentioned does not apply to our business operations.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

As our company operates in the financial services sector and does not engage in manufacturing, the specific clause mentioned does not apply to our business operations.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

As our company operates in the financial services sector and does not engage in manufacturing, the specific clause mentioned does not apply to our business operations.

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**  
**Essential Indicators**

1. a. Details of measures for the well-being of employees:

| Category                       | % of employees covered by |                  |         |                    |          |                    |         |                    |         |                     |         |
|--------------------------------|---------------------------|------------------|---------|--------------------|----------|--------------------|---------|--------------------|---------|---------------------|---------|
|                                | Total (A)                 | Health Insurance |         | Accident Insurance |          | Maternity Benefits |         | Paternity Benefits |         | Day Care Facilities |         |
|                                |                           | Number (B)       | % (B/A) | Number (C)         | % (C /A) | Number (D)         | % (D/A) | Number (E)         | % (E/A) | Number (F)          | % (F/A) |
| Permanent employees            |                           |                  |         |                    |          |                    |         |                    |         |                     |         |
| Male                           | 1606                      | -                | -       | 1606               | 100      | -                  | -       | 1606               | 100%    | -                   | -       |
| Female                         | 152                       | -                | -       | 152                | 100      | 152                | 100%    | -                  | -       | -                   | -       |
| Total                          | 1758                      | -                | -       | 1758               | 100      | 152                | 100%    | 1606               | 100%    | -                   | -       |
| Other than Permanent employees |                           |                  |         |                    |          |                    |         |                    |         |                     |         |
| Male                           |                           |                  |         |                    |          |                    |         |                    |         |                     |         |
| Female                         |                           |                  |         |                    |          |                    |         |                    |         |                     |         |
| Total                          |                           |                  |         |                    |          |                    |         |                    |         |                     |         |

b. Details of measures for the well-being of workers: Not Applicable

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

|  | FY 2024-25<br>(Current Financial Year) | FY 2023-24<br>(Previous Financial Year) |
|--|--|---|
| Cost incurred on well- being measures as a % of total revenue of the Company | 0.22%                                  | 0.20%                                   |

The figures include Staff welfare expense and Accidental insurance policy of the employees.

2. Details of retirement benefits, for Current Financial year and Previous Financial year.

| Benefits                | FY 2024-25 (Current Financial Year)               |  |  | FY 2023-24 (Previous Financial Year)              |  |  |
|-------------------------|---|--|--|---|--|--|
|                         | No. of employees covered as a% of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority ( y /N/N.A.) | No. of employees covered as a% of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority ( y /N/N.A.) |
| PF                      | 82.82%  | Nil  | Yes  | 80.31%  | Nil  | Yes  |
| Gratuity                | 100%  |  | NA   | 100%  |  | NA   |
| ESI                     | 6.83%   |  | Yes  | 10.63%  |  | Yes  |
| Others – Please Specify | -   |  | -  | -   |  | -  |

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our premises/offices are accessible to differently abled employees wherever they are employed.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The policy is available to employees through intranet portal.

5. Return to work and Retention rates of permanent employees and workers that took Maternal/parental leave.

| Gender | Permanent employees |                | Permanent workers   |                |
|--------|---------------------|----------------|---------------------|----------------|
|        | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male   | 100%                | 100%           |                     |                |
| Female | 100%                | 100%           |                     |                |
| Total  | 100%                | 100%           |                     |                |

NA



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

|                                | Yes/No (If yes, then give details of the mechanism in brief)  |
|--------------------------------|---|
| Permanent Workers              | NA  |
| Other than Permanent Workers   | NA  |
| Permanent Employees            | Yes. The ERP System is available for any employee to enter his/her grievances. The portal is directly accessed by HR Head of the Company and complete confidentiality is maintained on receiving the complaints/ grievance. The HR Head of the Company works on all issues for speedy resolution. |
| Other than Permanent Employees | NA  |

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:  
Employees of MFSL are currently not part of any employee association.

| Category                         | FY 2024-25 (Current Financial Year)                  |  |         | FY 2023-24 (Previous Financial Year)                 |  |         |
|----------------------------------|--|--|---------|--|--|---------|
|                                  | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees / workers in respective category (C) | No. of employees/ workers in respective category, who are part of association(s) or Union(D) | % (D/C) |
| <b>Total Permanent Employees</b> |  |  |         |  |  |         |
| - Male                           |  |  |         |  |  |         |
| - Female                         |  |  |         |  |  |         |
| <b>Total Permanent Workers</b>   |  |  |         |  |  |         |
| - Male                           |  |  |         |  |  |         |
| - Female                         |  |  |         |  |  |         |

8. Details of training given to employees and workers:

| Category         | FY 2024-25 Current Financial year |                               |               |                      |               | FY 2023-24 Previous Financial year |                               |               |                      |               |
|------------------|-----------------------------------|-------------------------------|---------------|----------------------|---------------|------------------------------------|-------------------------------|---------------|----------------------|---------------|
|                  | Total (A)                         | On Health and safety measures |               | On Skill upgradation |               | Total (D)                          | On Health and safety measures |               | On Skill upgradation |               |
|                  | No. (B)                           | % (B/A)                       | No. (C)       | % (C/A)              |               | No. (E)                            | % (E/D)                       | No. (F)       | % (F/D)              |               |
| <b>Employees</b> |                                   |                               |               |                      |               |                                    |                               |               |                      |               |
| Male             | 1606                              | 1197                          | 74.53%        | 855                  | 53.23%        | 1489                               | 1089                          | 73.14%        | 1103                 | 74.40%        |
| Female           | 152                               | 106                           | 69.74%        | 91                   | 59.87%        | 101                                | 69                            | 68.31%        | 63                   | 62.37%        |
| <b>Total</b>     | <b>1758</b>                       | <b>1303</b>                   | <b>74.12%</b> | <b>946</b>           | <b>53.81%</b> | <b>1590</b>                        | <b>1158</b>                   | <b>72.83%</b> | <b>1166</b>          | <b>73.33%</b> |
| <b>Workers</b>   |                                   |                               |               |                      |               |                                    |                               |               |                      |               |
| Male             |                                   |                               |               |                      |               |                                    |                               |               |                      |               |
| Female           |                                   |                               |               |                      |               |                                    |                               |               |                      |               |
| <b>Total</b>     |                                   |                               |               |                      |               |                                    |                               |               |                      |               |

9. Details of performance and career development reviews of employees and worker:

Performance appraisal was conducted during the year for all the eligible employees as per Company's policies.

| Category                         | FY 2024-25 (Current Financial Year) |         |         | FY 2023-24 (Previous Financial Year) |         |         |
|----------------------------------|-------------------------------------|---------|---------|--------------------------------------|---------|---------|
|                                  | Total (A)                           | No. (B) | % (B/A) | Total (C)                            | No. (D) | % (D/C) |
| <b>Total Permanent Employees</b> | 1758                                | 999     | 56.83%  | 1590                                 | 751     | 47.23%  |
| - Male                           | 1606                                | 928     | 57.78%  | 1489                                 | 687     | 46.14%  |
| - Female                         | 152                                 | 71      | 46.71%  | 101                                  | 64      | 63.37%  |
| <b>Total Permanent Workers</b>   |                                     |         |         |                                      |         |         |
| - Male                           |                                     |         |         |                                      |         |         |
| - Female                         |                                     |         |         |                                      |         |         |
| <b>Total</b>                     |                                     |         |         |                                      |         |         |

## 10. Health and safety management system:

|   |  |
|---|--|
| a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system? | <p>The Company recognizes that its business operations do not involve significant occupational health and safety hazards. Nonetheless, the well-being of our employees remains a foremost priority. We ensure that first aid kits are readily available across all locations and actively promote safety measures, such as encouraging helmet use through various training programs.</p> <p>We are firmly committed to providing a safe and healthy workplace by minimizing the risk of accidents, injuries, and exposure to health hazards, in full compliance with all relevant workplace safety laws and regulations. Additionally, the Company offers an Accident Policy to safeguard our employees.</p> <p>To further promote health and safety awareness, we regularly communicate important reminders and conduct sessions covering practical advice, including helmet usage, staying hydrated, remaining physically active, and opting for stairs over elevators.</p> <p>Moreover, the Company is dedicated to supporting employee well-being and productivity through regular health examinations, fostering a healthy work-life balance, and providing access to mental health resources, including psychiatric support. We also offer stress management education and strive to maintain a secure, inclusive, and supportive workplace environment.</p> |
| b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?              | In light of our business operations, hazard identification may not be directly applicable. Nonetheless, we recognise the importance of continuously conducting hazard identification.  |
| c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)                    | NA   |
| d. Do the employees/ worker of the entity have access to non-occupational medical and Healthcare services? (Yes/ No)                            | The Company has accidental insurance policies for the employees. Further, awareness programs are conducted to ensure mental and physical well-being of employees.  |

## 11. Details of safety related incidents, in the following format:

| Safety Incident/Number  | Category* | FY 2024-25<br>Current Financial year | FY 2023-24<br>Previous Financial Year |
|---|-----------|--------------------------------------|---------------------------------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees |                                      |                                       |
|   | Workers   |                                      |                                       |
| Total recordable work-related injuries  | Employees |                                      |                                       |
|   | Workers   |                                      |                                       |
| No. of fatalities   | Employees |                                      | Nil                                   |
|   | Workers   |                                      |                                       |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees |                                      |                                       |
|   | Workers   |                                      |                                       |

\*Including in the contract workforce

## 12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Refer 10(a) above

## 13. Number of Complaints on the following made by employees and workers:

|                    | FY 2024-25 Current Financial year |                                       |         | FY 2023-24 Previous Financial Year |                                       |         |
|--------------------|-----------------------------------|---------------------------------------|---------|------------------------------------|---------------------------------------|---------|
|                    | Filed during the year             | Pending resolution at the end of year | Remarks | Filed during the year              | Pending resolution at the end of year | Remarks |
| Working Conditions |                                   |                                       |         |                                    |                                       |         |
| Health & Safety    |                                   |                                       |         |                                    |                                       | Nil     |

#### 14. Assessments for the year:

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties)   |
|-----------------------------|---|
| Health and safety practices | The Company strives to keep the workplace environment safe, hygienic and humane. Branches across the group are internally assessed periodically through internal audits for various aspects of health and safety measures and related working conditions. |
| Working Conditions          |   |

#### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

There have been no concerns or significant risks arising from health & safety practices and working conditions, hence no corrective action was required to be taken.

#### Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) – No, however the death due to accident is covered under accidental policy of the Company.
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We ensure that all statutory payment challans of previous month are attached with current invoice of our regular vendors.

- Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

|           | Total No. of effected employees/ Workers |                             | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment. |                             |
|-----------|--|-----------------------------|--|-----------------------------|
|           | FY 2024-25<br>(Current FY)               | FY 2023-24<br>(Previous FY) | FY 2024-25<br>(Current FY)   | FY 2023-24<br>(Previous FY) |
| Employees |  |                             |  |                             |
| Workers   |  |                             |  |                             |

Not Applicable

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

- Details on assessment of value chain partners:

|                             | % of value chain partners (by value of business done with such partners) that were assessed. |
|-----------------------------|--|
| Health and safety practices | NA   |
| Working Condition           |  |

- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

In absence of any significant risks / concerns, no corrective action plan has been necessitated.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders****Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company recognizes and identifies key stakeholders as individuals or groups who are interested, impacted by, or concerned with its current and future activities. Accordingly, our key stakeholders encompass shareholders and investors, customers, government and regulators, value chain partners, employees, and the society as a whole.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group         | Whether identified as Vulnerable & Marginalised Group (yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---------------------------|--|---|---|---|
| Shareholders              | No   | Email, SMS, Newspaper, Website, Notice  | Quarterly/ As and when required   | To inform about quarterly performance, call for meeting and other relevant updates.             |
| Investors                 | No   | Email, Newspaper, Community Meetings, Website   | Quarterly/ As and when required   | To inform about quarterly performance, call for meeting and other relevant updates.             |
| Customers                 | Yes  | Email, SMS, Newspaper, Website  | As and when required  | To provide financial services, resolve queries and grievances.                                  |
| Employees                 | Yes  | Email, Website  | As and when required  | Work related updates, providing awareness programmes  |
| Government and Regulators | Yes  | Email   | As and when required  | To update on various compliances and to seek approvals  |
| Auditor                   | No   | Email and Phone   | Quarterly/ As and when required   | Validation of financial information and meeting regulatory requirements                         |
| Value Chain Partners      | Yes  | Email   | As and when required  | To further strengthen the business relationship   |
| Society                   | Yes  | Website, Advertisement, Newspaper   | As and when required  | To promote social welfare activities including gathering feedback                               |

**Leadership Indicators**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

At our company, we prioritize transparent communication and provide access to pertinent information regarding decisions that affect our stakeholders, while ensuring the protection of confidential competitive plans and information. Engaging with stakeholders is an ongoing process, and the board regularly receives updates on significant developments resulting from such engagement efforts.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. The engagement with stakeholders on a continuous basis plays a crucial role in meeting their expectations and enables our company to better serve their needs. By actively involving our stakeholders, we strive to enhance our understanding of their requirements, foster stronger relationships, and ultimately deliver more effective solutions.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Our company is dedicated to making a positive impact on society through its Corporate Social Responsibility (CSR) initiatives. We have undertaken diverse activities and initiatives that aim to benefit various segments of the society, contributing to their well-being and creating a sustainable and inclusive future.

The Company through its CSR policy has taken up at the various initiatives and activities across work centres and locations of the company, for the benefit of different segments of the society, with focus on the marginalized, poor, needy, deprived, under-privileged and differently abled persons.



## PRINCIPLE 5 Businesses should respect and promote human rights

### Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category             | FY 2024-25 (Current FY) |                                       |         | FY 2023-24 (Previous FY) |                                       |         |
|----------------------|-------------------------|---------------------------------------|---------|--------------------------|---------------------------------------|---------|
|                      | Total (A)               | No. of employees /workers covered (B) | % (B/A) | Total (C)                | No. of employees/ workers covered (D) | % (D/C) |
| <b>Employees</b>     |                         |                                       |         |                          |                                       |         |
| Permanent            | 1758                    | 1487                                  | 84.58%  | 1590                     | 1072                                  | 67.42%  |
| Other than permanent | Nil                     |                                       |         |                          |                                       |         |
| Total Employees      | 1758                    | 1487                                  | 84.58%  | 1590                     | 1072                                  | 67.42%  |
| <b>Workers</b>       |                         |                                       |         |                          |                                       |         |
| Permanent            | Nil                     |                                       |         |                          |                                       |         |
| Other than permanent |                         |                                       |         |                          |                                       |         |
| Total Employees      |                         |                                       |         |                          |                                       |         |

- Details of minimum wages paid to employees and workers, in the following format:

| Category             | FY 2024-25 Current Financial Year |                       |         |                        |         | FY 2023-24 Previous Financial Year |                       |         |                        |         |
|----------------------|-----------------------------------|-----------------------|---------|------------------------|---------|------------------------------------|-----------------------|---------|------------------------|---------|
|                      | Total (A)                         | Equal to Minimum Wage |         | More than Minimum Wage |         | Total (D)                          | Equal to Minimum Wage |         | More than Minimum Wage |         |
|                      |                                   | No. (B)               | % (B/A) | No. (C)                | % (C/A) |                                    | No. (E)               | % (E/D) | No. (F)                | % (F/D) |
| Employees            |                                   |                       |         |                        |         |                                    |                       |         |                        |         |
| Permanent            | 1758                              | 91                    | 5.18%   | 1667                   | 94.82%  | 1589                               | 218                   | 13.71%  | 1372                   | 86.29%  |
| Male                 | 1606                              | 86                    | 5.35%   | 1520                   | 94.65%  | 1489                               | 211                   | 14.17%  | 1278                   | 85.83%  |
| Female               | 152                               | 5                     | 3.29%   | 147                    | 96.71%  | 101                                | 7                     | 6.93%   | 94                     | 93.07%  |
| Other than permanent | NA                                |                       |         |                        |         |                                    |                       |         |                        |         |
| Male                 |                                   |                       |         |                        |         |                                    |                       |         |                        |         |
| Female               |                                   |                       |         |                        |         |                                    |                       |         |                        |         |
| Workers              |                                   |                       |         |                        |         |                                    |                       |         |                        |         |
| Permanent            | NA                                |                       |         |                        |         |                                    |                       |         |                        |         |
| Male                 |                                   |                       |         |                        |         |                                    |                       |         |                        |         |
| Female               |                                   |                       |         |                        |         |                                    |                       |         |                        |         |
| Other than permanent |                                   |                       |         |                        |         |                                    |                       |         |                        |         |
| Male                 |                                   |                       |         |                        |         |                                    |                       |         |                        |         |
| Female               |                                   |                       |         |                        |         |                                    |                       |         |                        |         |

- Details of remuneration/salary/wages

#### a. Median remuneration/ wages:

|                                  | Male   |  | Female |  |
|----------------------------------|--------|--|--------|--|
|                                  | Number | Median remuneration/ salary/wages of respective category (₹ in Crores) | Number | Median remuneration/ salary/wages of respective category (₹ in Crores) |
| Board of Directors (BOD)*        | 2      | 4,09,51,035  | 1      | 1,25,82,630  |
| Key Managerial Personnel**       | 1      | 53,36,668  | 1      | 17,09,519  |
| Employees other than BOD and KMP | 1601   | 3,30,628   | 150    | 2,59,110   |
| Workers                          | 0      | -  | 0      | -  |

\* Excluding Non-Executive/ Independent Directors as no remuneration is paid to them.

\*\*CMD & CEO are included in the Board of Directors which is why not mentioned separately in KMP.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

|   | FY 2024-25<br>Current Financial Year | FY 2023-24<br>Previous Financial Year |
|---|--------------------------------------|---------------------------------------|
| Gross wages paid to females as % of total wages | 5.77%                                | 6.07%                                 |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) - Yes
5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company regards respect for human rights as a fundamental and core value. It is committed to supporting, protecting, and promoting these rights to ensure fair and ethical business conduct and employment practices.

MFSL is dedicated to maintaining a workplace free from violence, harassment, intimidation, or any other unsafe or disruptive conditions, whether arising from internal or external sources. To uphold this commitment, the Company has established a clear and effective grievance redressal mechanism. All employees have access to a formal process that allows them to confidentially and anonymously report concerns or grievances without fear of retaliation.

6. Number of Complaints on the following made by employees and workers:

|                                   | FY 2024-25 Current Financial Year |                                       |         | FY 2023-24 Previous Financial Year |                                       |         |
|-----------------------------------|-----------------------------------|---------------------------------------|---------|------------------------------------|---------------------------------------|---------|
|                                   | Filed during the year             | Pending resolution at the end of year | Remarks | Filed during the year              | Pending resolution at the end of year | Remarks |
| Sexual Harassment                 |                                   |                                       |         |                                    |                                       |         |
| Discrimination at workplace       |                                   |                                       |         |                                    |                                       |         |
| Child Labour                      |                                   |                                       |         |                                    |                                       |         |
| Forced Labour/ Involuntary Labour |                                   |                                       | Nil     |                                    |                                       |         |
| Wages                             |                                   |                                       |         |                                    |                                       |         |
| Other human rights related issues |                                   |                                       |         |                                    |                                       |         |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

|   | FY 2024-25<br>Current Financial Year | FY 2023-24<br>Previous Financial Year |
|---|--------------------------------------|---------------------------------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) |                                      |                                       |
| Complaints on POSH as a % of female employees / worker  |                                      | Nil                                   |
| Complaints on POSH upheld   |                                      |                                       |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

A formal grievance mechanism is available to all employees to report or raise their concerns confidentially and anonymously, without fear of retaliation, along with mechanism to consult on ethical issues through the ERP system provided to all the employees.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

|                             | %age of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child labour                |  |
| Forced/involuntary labour   |  |
| Sexual harassment           |  |
| Discrimination at workplace | 0%   |
| Wages                       |  |
| Others – please specify     |  |

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above. - There were no significant risks identified from the assessments conducted and hence, no corrective action was required to be taken.

### Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

There have been no significant human rights grievances / complaints warranting modification / introduction of business processes.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The assessment was conducted across business operations to cover a wide range of human rights issues including forced labour, harassment, discrimination.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

We are committed to ensuring full compliance with the Persons with Disabilities Act 2016, as we actively enhance our premises to provide optimal accessibility for all visitors, including differently abled.

4. Details on assessment of value chain partners:

|                             | %age of your plants and offices that were assessed (by entity or statutory authorities or third parties)   |
|-----------------------------|--|
| Sexual harassment           | The Company expects and strives to influence its value chain partners to adhere to the same values, principles and business ethics upheld by MFSL. No specific assessment in respect of value chain partners has been carried out. |
| Discrimination at workplace |  |
| Child labour                |  |
| Forced/involuntary labour   |  |
| Wages                       |  |
| Others – please specify     |  |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No corrective actions pertaining to Question 4 was necessitated by the Company during the year under review.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter  | FY 2024-25<br>(Current Financial year) | FY 2023-24<br>(Previous Financial year) |
|--|--|---|
| <b>From renewable sources (in gigajoules)</b>  |  |   |
| Total electricity consumption (A)  | 5,023                                  | 4,805                                   |
| Total fuel consumption (B)   | 6,833                                  | 5,916                                   |
| Energy consumption through other sources (C)   | -                                      | -                                       |
| <b>Total energy consumption from renewable sources (A+B+C)</b>   | <b>11,856</b>                          | <b>10,721</b>                           |
| <b>From non-renewable sources</b>  | <b>-</b>                               | <b>-</b>                                |
| Total electricity consumption (D)  | -                                      | -                                       |
| Total fuel consumption (E)   | -                                      | -                                       |
| Energy consumption through other sources (F)   | -                                      | -                                       |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b>  | <b>-</b>                               | <b>-</b>                                |
| <b>Total energy consumed (A+B+C+D+E+F)</b>   | <b>-</b>                               | <b>-</b>                                |
| <b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)  | <b>0.78</b>                            | <b>0.88</b>                             |
| <b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*</b> (Total energy consumed / Revenue from operations adjusted for PPP) | <b>16.11</b>                           | <b>19.69</b>                            |
| <b>Energy intensity in terms of physical output</b>  |  |   |
| Energy intensity (optional) – the relevant metric may be selected by the entity  | -                                      | -                                       |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

\*For the purpose of calculation of intensity adjusted Purchasing power parity (PPP), conversion factor @20.66 ₹/ International Dollar has been considered as per IMF data (<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/IND>)

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. – NA
3. Provide details of the following disclosures related to water, in the following format:

| Parameter  | FY 2024-25<br>(Current Financial year) | FY 2023-24<br>(Previous Financial year) |
|--|--|---|
| <b>Water withdrawal by source (in kilolitres)</b>  |  |   |
| (i) Surface water  |  |   |
| (ii) Groundwater   |  |   |
| (iii) Third party water  |  |   |
| (iv) Seawater / desalinated water  |  |   |
| (v) Others   |  |   |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>  |  |   |
| <b>Total volume of water consumption (in kilolitres)</b>   |  |   |
| <b>Water intensity per Lac of turnover</b> (Total water consumption / Revenue from operations)   |  |   |
| <b>Water intensity per Lac of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) |  |   |
| <b>Water intensity in terms of physical output</b>   |  |   |
| <b>Water intensity</b> (optional) - the relevant metric may be selected by the entity  |  |   |

The usage of water is restricted to human consumption purposes only which is not accounted. Efforts have been made to ensure that water is consumed judiciously in the office/branch premises.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.



4. Provide the following details related to water discharged:

The nature of our business activity is such that the usage of water is restricted to human consumption.

| Parameter  | FY 2024-25<br>(Current Financial<br>year) | FY 2023-24<br>(Previous Financial<br>year) |
|--|---|--|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |   |  |
| (i) To Surface water   | -   | -  |
| No treatment   | -   | -  |
| With treatment – please specify level of treatment                           | -   | -  |
| (ii) To Groundwater  | -   | -  |
| No treatment   | -   | -  |
| With treatment – please specify level of treatment                           | -   | -  |
| (iii) To Seawater  | -   | -  |
| No treatment   | -   | -  |
| With treatment – please specify level of treatment                           | -   | -  |
| (iv) Sent to third-parties   | -   | -  |
| No treatment   | -   | -  |
| With treatment – please specify level of treatment                           | -   | -  |
| (v) Others   | -   | -  |
| No treatment   | -   | -  |
| With treatment – please specify level of treatment                           | -   | -  |
| <b>Total water discharged (in kilolitres)</b>                                | -   | -  |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. – Mechanism for zero liquid discharge has not been implemented

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter                           | Please specify unit | FY 2024-25<br>(Current Financial<br>year) | FY 2023-24<br>(Previous Financial<br>year) |
|-------------------------------------|---------------------|---|--|
| Nox                                 | Not Applicable      |   |  |
| Sox                                 |                     |   |  |
| Particulate matter (PM)             |                     |   |  |
| Persistent organic pollutants (POP) |                     |   |  |
| Volatile organic compounds (VOC)    |                     |   |  |
| Hazardous air pollutants (HAP)      |                     |   |  |
| Others– please specify              |                     |   |  |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter  | Unit  | FY 2024-25<br>(Current Financial<br>year) | FY 2023-24<br>(Previous Financial<br>year) |
|--|---|---|--|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent           | 477                                       | 413  |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent           | 999                                       | 956  |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)                                | Metric tonnes of CO <sub>2</sub> equivalent/Million ₹ | 0.10                                      | 0.11                                       |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted</b>   |   | -   | -  |

| Parameter  | Unit   | FY 2024-25<br>(Current Financial<br>year) | FY 2023-24<br>(Previous Financial<br>year) |
|--|--|---|--|
| <b>for Purchasing Power Parity (PPP)*</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | Per crore of Standalone Total Revenue from Operations adjusted for PPP | 2.00                                      | 2.50                                       |
| <b>Total Scope 1 and Scope 2 emission intensity in terms of physical output*</b>   | tCO2e per Employee   | 0.84                                      | 0.86                                       |
| <b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity             | -  | -   | -  |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

\*For the purpose of calculation of intensity adjusted Purchasing power parity (PPP), conversion factor @20.66 ₹/Internation Dollar has been considered as per IMF data (<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/IND>)

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. – No
9. Provide details related to waste management by the entity, in the following format:

| Parameter   | FY 2024-25<br>(Current Financial<br>Year)  | FY 2023-24<br>(Previous Financial<br>Year) |
|---|--|--|
| Total Waste generated (in metric tonnes)  |  |  |
| Plastic waste (A)   | 0.01   | 0.01                                       |
| E-waste (B)   | 0.373  | 0.8167                                     |
| Bio-medical waste (C)   | NA   | NA   |
| Construction and demolition waste (D)   | NA   | NA   |
| Battery waste (E)   | NA   | NA   |
| Radioactive waste (F)   | NA   | NA   |
| Other Hazardous waste. Please specify, if any. (G)  | NA   | NA   |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | (The Company uses Carton, paper etc in ordinary course of business which are negligible) |  |
| <b>Total (A+B + C + D + E + F + G + H)</b>  | <b>0.383</b>   | <b>0.8267</b>                              |

| Parameter  | FY 2024-25<br>(Current Financial<br>Year) | FY 2023-24<br>(Previous Financial<br>Year) |
|--|---|--|
| <b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)   |   |  |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP) |   |  |
| <b>Waste intensity in terms of physical output</b>   |   |  |
| <b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity  |   |  |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)                    | Negligible                                |  |
| Category of waste  |   |  |
| (i) Recycled   |   |  |
| (ii) Re-used   |   |  |
| (iii) Other recovery operations  |   |  |
| <b>Total</b>   |   |  |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>  |   |  |
| <b>Category of waste</b>   |   |  |
| (i) Incineration   | -   | -  |
| (ii) Landfilling   | -   | -  |
| (iii) Other disposal operations  | -   | -  |
| <b>Total</b>   |   |  |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of its business, the Company's primary waste categories are paper waste and e-waste. It is committed to ensuring that e-waste is disposed of responsibly and in compliance with appropriate standards.

To reduce paper waste, the Company has actively promoted the use of recycled paper and implemented several measures to enhance paper efficiency. These include adopting double-sided printing and repurposing single-sided printed wastepaper to create stationery items such as notepads.

Additionally, to minimize disposable waste, the Company has provided employees with ceramic cups, encouraging the reduction of paper cup and plastic bottle usage as part of its ongoing waste management efforts.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

| Sr. No.        | Location of operations/ offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? ( Y/N) If no, the reasons thereof and corrective action taken, if any. |
|----------------|---------------------------------|--------------------|--|
| Not Applicable |                                 |                    |  |

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No | Date | Whether conducted by independent external agency (yes / No) | Results communicated in public domain (yes / No) | Relevant Web link |
|-----------------------------------|---------------------|------|---|--|-------------------|
| Not Applicable                    |                     |      |   |  |                   |

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| Sr. No.   | Specify the law/ regulation/ guidelines which was not complied with | Provide details of the non- compliance | Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|---|---|--|--|---------------------------------|
| Based on the nature of business, MFSL is in compliance with applicable environmental norms. |   |  |  |                                 |

#### Leadership Indicators\*

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Offices are generally not situated in any water stress regions, and hence the question is not applicable.

| Parameter   | FY 2024-25<br>(Current Financial<br>year) | FY 2023-24<br>(Previous Financial<br>year) |
|---|---|--|
| <b>Water withdrawal by source (in kilolitres)</b>                                     |   |  |
| (i) Surface water   | -   | -  |
| (ii) Groundwater  | -   | -  |
| (iii) Third party water   | -   | -  |
| (iv) Seawater / desalinated water   | -   | -  |
| (v) Others  | -   | -  |
| <b>Total volume of water withdrawal (in kilolitres)</b>                               | -   | -  |
| <b>Total volume of water consumption (in kilolitres)</b>                              | -   | -  |
| <b>Water intensity per rupee of turnover (Water consumed / turnover)</b>              | -   | -  |
| <b>Water intensity (optional)</b> – the relevant metric may be selected by the entity | -   | -  |
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>          |   |  |
| (i) Into Surface water  | -   | -  |
| - No treatment  | -   | -  |
| - With treatment – please specify level of treatment                                  | -   | -  |
| (ii) Into Groundwater   | -   | -  |
| - No treatment  | -   | -  |
| - With treatment – please specify level of treatment                                  | -   | -  |
| (iii) Into Seawater   | -   | -  |
| - No treatment  | -   | -  |
| - With treatment – please specify level of treatment                                  | -   | -  |
| (iv) Sent to third-parties  | -   | -  |
| - No treatment  | -   | -  |
| - With treatment – please specify level of treatment                                  | -   | -  |
| (v) Others  | -   | -  |
| - No treatment  | -   | -  |
| - With treatment – please specify level of treatment                                  | -   | -  |
| <b>Total water discharged (in kilolitres)</b>   | -   | -  |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. NA

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

| Parameter  | Unit                    | FY 2024-25<br>(Current Financial<br>year) | FY 2023-24<br>(Previous Financial<br>year) |
|--|-------------------------|---|--|
| <b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | tCO <sub>2</sub> e      | 1329.73                                   | 811.13                                     |
| <b>Total Scope 3 emissions per rupee of turnover</b>   | tCO <sub>2</sub> e/Mn ₹ | 0.09                                      | 0.07                                       |
| <b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity   |                         | -   | -  |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.-NA

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.- NA
4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:



| Sr. No | Initiative undertaken           | Details of the initiative (Web-link, if any, may be provided along-with summary)                                  | Outcome of the initiative   |
|--------|---------------------------------|---|---|
| 1      | Digitization                    | Digitization initiatives including automation of business processes, usage of E-agreements with digital signature | Reduction of paper waste  |
| 2.     | Use of Sustainable Alternatives | Use of ceramic cups to avoid usage of paper cups in the head office.  | Reduction of plastic waste so as to reinforce our efforts and manage waste. |

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. The Company has business continuity strategy and framework which is also compliant with applicable regulatory requirements. BCP envisages the likely disruptive events, their probability and impact on business operations which is assessed through business impact analysis. The BCP includes Disaster Recovery procedures to quickly recover from an emergency.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Given the nature of the business, certain points are not applicable to the Company and there has been no adverse impact to the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. NA

8. How many Green Credits have been generated or procured:

- by listed entity. NA
- by the top ten (in terms of value of purchases and sales, respectively) value chain partners. NA

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.

Company is member of 5 trade and industry chambers/ associations.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ Associations                | Reach of trade and industry chambers/ associations (State/National) |
|--------|--|---|
| 1      | Finance Industry Development Council (FIDC)                          | National  |
| 2      | Gujarat Finance Companies Association (GFCA)                         | National  |
| 3      | Fintech Association for Consumer Empowerment (FACE)                  | National  |
| 4      | The Associated Chambers of Commerce and Industry of India (ASSOCHAM) | National  |

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

N.A.

**Leadership Indicators**

- Details of public policy positions advocated by the entity:

The Company actively participates in putting forward its views on the setting of new industry standards or regulatory developments pertaining to the NBFC sector. While making recommendations, MFSL attempts to balance the interest of various stakeholders.

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development****Essential Indicators**

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

No project was required to be assessed for their impact during the year under the regulatory requirement. However, the Company uses social sector experts and independent professionals to conduct social and financial assessments of the projects.

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

N.A.

- Describe the mechanisms to receive and redress grievances of the community.

The Company has a robust grievance mechanism to receive and redress complaints or any concerns raised by the community. We engage with local communities through various means such as personal visits, surveys, meetings, etc. to understand their concerns and take appropriate actions to resolve them.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

|  | FY 2024-25 Current Financial year | FY 2023-24 Previous Financial year |
|--|-----------------------------------|------------------------------------|
| Directly sourced from MSMEs/ small producers | NA                                | NA                                 |
| Directly from within India                   | NA                                | NA                                 |

- Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location     | FY 2024-25 Current Financial year | FY 2023-24 Previous Financial year |
|--------------|-----------------------------------|------------------------------------|
| Rural        | 0.00%                             | 0.00%                              |
| Semi-urban   | 3.33%                             | 3.41%                              |
| Urban        | 12.12%                            | 13.27%                             |
| Metropolitan | 84.55%                            | 83.32%                             |

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**Leadership Indicators**

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

The Company distributed sweaters to the students at the school in Dahod, with the total value amounting to approximately Rs. 2.12 lakh.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

(b) From which marginalized /vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects

| S.No | CSR Project                     | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalised groups |
|------|---------------------------------|---|--|
| 1    | MAS Arogya Abhiyan              | 200+  | 100%   |
| 2    | Shiksha Abhiyan                 | 12,000+ students                            | 100%   |
| 3    | MAS Menstrual Hygiene Programme | 1,500 (on Quarterly basis)                  | 100%   |
| 4    | Grain Distribution              | 300   | 100%   |

## PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Complaints received from customers with regard to their grievances/concerns are addressed under the Grievances Redressal Mechanism. Customer Relationship Management (CRM) address the complaints and requests raised by the customers through various channels like by calling the Centre/Branch; via sending e-mail or through the Company's official website. All the issues/requests raised by customers through various modes such as Call centre/Branch/Company's website/emails/ letters etc., are first entered into CRM Application and resolved as soon as possible. The details of the same are enumerated under the section of Customer's corner on the website of the Company.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| As a percentage to total turnover                           |  |
|---|--|
| Environmental and social parameters relevant to the product | All our loan products and Most Important Terms & Conditions are completely transparent and disclose all product related details. |
| Safe and responsible usage                                  |  |
| Recycling and/or safe disposal                              |  |

3. Number of consumer complaints in respect of the following:

|                                | FY 2024-25 (Current Financial year) |                                   |         | FY 2023-24 (Previous Financial year) |                                   |         |
|--------------------------------|-------------------------------------|-----------------------------------|---------|--------------------------------------|-----------------------------------|---------|
|                                | Received during the year            | Pending resolution at end of year | Remarks | Received during the year             | Pending resolution at end of year | Remarks |
| Data privacy                   | Nil                                 |                                   |         |                                      |                                   |         |
| Advertising                    |                                     |                                   |         |                                      |                                   |         |
| Cyber-security                 |                                     |                                   |         |                                      |                                   |         |
| Delivery of essential services |                                     |                                   |         |                                      |                                   |         |
| Restrictive Trade Practices    |                                     |                                   |         |                                      |                                   |         |
| Unfair Trade Practices         |                                     |                                   |         |                                      |                                   |         |
| Other                          | 1321                                | 36                                | NA      | 2729                                 | 8                                 | NA      |

4. Details of instances of product recalls on account of safety issues:

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | Nil    | N.A.               |
| Forced recalls    | Nil    | N.A.               |

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy. Yes <https://mas.co.in/policy.aspx>
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. - NA
7. Provide the following information relating to data breaches:
- Number of instances of data breaches
  - Percentage of data breaches involving personally identifiable information of customers
  - Impact, if any, of the data breaches

#### Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The Company provides a wide range of financial service, the information can be accessed from the [www.mas.co.in](http://www.mas.co.in).

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company utilizes a wide range of formal and informal communication channels to educate customers and raise awareness about its services. These channels are designed to ensure that customers have clear, accessible, and comprehensive information about the products and services available to them. Further customer awareness initiatives are undertaken through meetings, camps, workshops and digital platforms. All Information related to products offered to customers are available at Company's website.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

During the year, there were no major disruptions of critical services. Information relating to disruption/discontinuation of essential services is communicated to customers through formal means such as e-mail, website, phone calls, SMS, WhatsApp, etc. Any closure of a business location or relocation thereof is published in newspapers. Further, product related information is available in detail on the companies' websites.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The information about the products and services are provided on the website of the Company. Through Customer Relationship Management Various surveys are conducted on a regular basis to understand and address the needs of the customers.

# Independent Auditor's Report

To the Members of MAS Financial Services Limited

Report on the Audit of the Standalone Financial Statements

## OPINION

We have audited the accompanying Standalone Financial Statements of MAS Financial Services Limited ('the Company'), which comprise the standalone Balance Sheet as at March 31, 2025, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of cash flows and the standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information ("the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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 March 31, 2025, and its profit, total comprehensive income, cash flows and the changes in equity for the year then ended.

## BASIS FOR OPINION

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

## KEY AUDIT MATTERS

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

| Sr. No. | Key Audit Matters   | Auditor's Response  |
|---------|---|---|
| 1       | <b>Impairment of Loans:</b><br><br>Charge: INR 39.68 Crore for the year ended March 31, 2025<br><br>Provision: INR 169.72 Crore as at March 31, 2025<br><br>Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: <ul style="list-style-type: none"> <li>Data inputs - The application 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.</li> </ul> | <b>Principal Audit Procedures</b><br><br>Procedures performed by us have been enumerated herein below:<br><br>We performed end to end process walkthroughs to identify the key systems, applications and controls used in ECL processes. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in ECL process.<br><br>Key aspects of our controls testing involved following: <ul style="list-style-type: none"> <li>Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models.</li> <li>Testing the 'Governance Framework' controls over validation, implementation and model monitoring in line with Reserve Bank of India guidance.</li> </ul> |



| Sr. No. | Key Audit Matters   | Auditor's Response   |
|---------|---|--|
|         | <ul style="list-style-type: none"> <li>Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.</li> <li>Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment.</li> <li>Qualitative adjustments – Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. They represent approximately 14.52% of ECL balances as at March 31, 2025. These adjustments are inherently uncertain and significant management judgement is involved considering internal assessment of emerging forward looking economic factors and related uncertainties. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the Standalone Financial Statements, we have considered this as a key audit matter.</li> </ul> <p><b>Disclosures:</b></p> <p>The disclosures 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.</p> | <ul style="list-style-type: none"> <li>Testing the design and operating effectiveness of the key controls over the application of the staging criteria.</li> <li>Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights.</li> <li>Testing management's controls over authorisation and calculation of post model adjustments and management overlays.</li> <li>Testing management's controls on compliance with Ind AS 109 disclosures related to ECL.</li> <li>Testing key controls operating over the information technology system in relation to loan impairment including system access and system change management, program development and computer operations.</li> </ul> <p><b>Test of details:</b></p> <p>Key aspects of our testing included:</p> <ul style="list-style-type: none"> <li>Sample testing over key inputs, data and assumptions impacting ECL calculations to assess completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>Model calculations testing through re-performance, where possible.</li> <li>Test of details of post model adjustments, considering the size and complexity of management overlays, to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data.</li> </ul> <p>Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining ECL. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.</p> |
| 2       | <p><b>Information Technology:</b></p> <p>IT Systems and controls</p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.</p>  | <p>In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> <li>Review of the report of IS Audit carried during the year by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> </ul>   |

| Sr. No. | Key Audit Matters  | Auditor's Response   |
|---------|--|--|
|         | <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.</p> | <ul style="list-style-type: none"> <li>• Our other processes include: <ul style="list-style-type: none"> <li>o selectively recomputing interest calculations and maturity dates.</li> <li>o Selectively re-evaluating masters update, interface with resultant reports.</li> <li>o Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system).</li> <li>o Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> </ul> </li> </ul> <p>Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases.</p> |

## INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our audit reports thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either

intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures

in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, the standalone Cash Flow Statement and standalone Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations as at March 31, 2025, on its financial position in its Standalone Financial Statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, 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 to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - (c) Based on such audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatements.
  - v. As stated in Note no. 21.2 of the Standalone Financial Statements
    - The final dividend proposed in the previous year, declared and paid during the year by the Company is in compliance with section 123 of the Act.
    - The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.

- The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members in the ensuing Annual General Meeting. The amount of proposed dividend is in accordance with section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the audit trail feature has been operating throughout the year for all the relevant transactions recorded in the software except that, audit trail feature was not enabled at database level to log any direct data changes. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with in respect of such accounting software where such feature is enabled.
- Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm's Registration No. 110417W

**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892  
UDIN: 25100892BMIFKX1760

Place: Ahmedabad  
Date: April 30, 2025



## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of MAS Financial Services Limited of even date)

### **The Annexure referred to in Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended March 31, 2025.**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) In respect of the Company’s fixed assets:

(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

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

(b) The Company has a program of physical verification of its Property, Plant and Equipment and right of use assets so as to cover all the items of Property, Plant and Equipment in a phased manner. 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 program, certain Property, Plant and Equipment and right of use assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of the immovable properties taken on lease and disclosed under “Right of use asset” in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement.

(d) According to the information and explanations given to us and the records examined by us and based on the examination, the Company has not revalued any of its property, plant and equipment

(including Right of Use assets) and intangible assets during the year.

(e) According to the information and explanations given to us and the records examined by us and based on the examination, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Refer Note 46 to the standalone financial statements

(ii) In respect of Company’s Inventories:

(a) The Company is a Non-Banking Finance Company (‘NBFC’) and does not hold any inventories. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.

(b) During the year, the Company has availed sanctioned working capital limit in excess of ₹ 5 Crores from banks on the basis of security of current assets. Based on our examination of the records of the Company, the quarterly returns/statements filed by the Company with the said bank are materially in agreement with the books of accounts maintained by the Company

(iii) (a) Since the Company’s principal business is to give loans. Accordingly, the reporting under clause 3(iii)(a) of the Order is 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 during the year are, prima facie, not prejudicial to the Company’s interest.

(c) The Company, being a Non-Banking Financial Company (‘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 repayments of principal and payment of interest by its borrowers 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 note 8.1 to the Standalone Financial Statements for summarised details of such loans/ advances which are not repaid by borrowers as per stipulations. According to the information and explanations given to us, reasonable steps are taken by the Company for recovery thereof.

- (d) The Company, being a Non-Banking Financial Company ('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 report 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 note 8.1 and note 43.1 to the Standalone Financial Statements for summarised details of such loans/ advances which are not repaid by borrowers as per stipulations for more than ninety days under the title "stage 3" loans. According to the information and explanations given to us, reasonable steps are taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans, the reporting under clause 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 either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of examination of the records, the
- Company has not granted any loans, made investments or provided guarantees in contravention of the provisions of Section 185 of the Act and has complied with the applicable provisions of Section 186(1) of the Act.
- (v) The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal, in this regard.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for any of the services rendered by the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been generally regular in depositing the amounts deducted / accrued in the books of account, in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and any other material statutory dues applicable to the Company.
- (b) There were no material undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and any other material statutory dues in arrears as at March 31, 2025, for a period of more than six months from the date they became payable.
- (c) There are no statutory dues referred in above subclause, which have not been deposited with the appropriate authorities on account of any disputes except for the following:

| Sr. No. | Name of Statute       | Nature of Dues | Amount (₹ in Crores) | Period to which the amount relates | Forum where dispute is pending    |
|---------|-----------------------|----------------|----------------------|------------------------------------|-----------------------------------|
| 1       | Goods and Service Tax | SGST           | 0.40                 | 2018-19                            | Commissionerate of Taxes, Gujarat |
|         |                       | CGST           | 0.40                 |                                    |                                   |
|         |                       | IGST           | 0.07                 |                                    |                                   |

- (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, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) According to the information and explanations given to us and on the basis of our examination of the books of account, we report that
- (a) The Company has not defaulted in repayment of loans or borrowings or interest thereon from any financial institution, banks, government or due to debenture holders during the year.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has utilised the money obtained by way of term loans from banks and other financial institutions during the year for the purposes for which they were obtained. Unutilised funds are held by the Company in the form of deposits or in current accounts till the time of subsequent utilisation.
- (d) The funds raised on short term basis have not been utilized for the long-term purpose.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary company.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has made preferential allotment and private placement of equity shares during the year in accordance with the requirements of Section 42 and 62 of the Act and the funds have been utilised for the purposes for which the funds were raised.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, there are no instances of fraud by customers relating to availment of loans by falsifying the records and documents are reported.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) According to the information and explanations given by management/Audit Committee, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all the transactions with the related parties and details of such transactions have been disclosed in the Standalone 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, during the course of our audit, the reports of the internal auditor issued till date for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act are not applicable to the Company.
- (xvi) According to the information and explanations given to us and based on the examination of the records of the Company, we report that
  - (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 such registration.
  - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - (c) The Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
  - (d) As per information provided in course of our audit, the group to which the Company belongs does not have any CIC.
- (xvii) According to the information and explanations given to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) According to the information and explanations given to us, there has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of 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) In respect of the Company's Corporate Social Responsibility (CSR):

(a) According to the information and explanations given to us, there are no unspent amount towards

Corporate Social Responsibility (CSR) in respect of other than ongoing projects that are required to be transferred to a fund specified in Schedule VII to the Act.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has transferred the amount remaining unspent in respect of ongoing projects, to a Special Account (as required) till the date of our report in compliance with provision of sub section (6) of section 135 of the Act. Relevant disclosures are made in Note 34(c) of the Standalone financial statement of the Company.

For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm's Registration No. 110417W

**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892  
UDIN: 25100892BMIFKX1760

Place: Ahmedabad  
Date: April 30, 2025

## Annexure “B” to the Independent Auditor’s Report

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

### **Report on the Internal Financial Control Over Financial Reporting under clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of MAS Financial Service Limited (“the Company”) as of March 31, 2025, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### **MANAGEMENT RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company’s management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India [“ICAI”]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **AUDITORS’ RESPONSIBILITY**

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

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.



**LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm's Registration No. 110417W

**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892  
UDIN: 25100892BMIFKX1760

Place: Ahmedabad  
Date: April 30, 2025

# Standalone Balance Sheet

As at 31 March 2025

(₹ in Crores)

|   | Note no. | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|----------|------------------------|------------------------|
| <b>ASSETS</b>   |          |                        |                        |
| <b>Financial assets</b>   |          |                        |                        |
| Cash and cash equivalents   | 5        | 437.97                 | 178.02                 |
| Bank balance other than cash and cash equivalents   | 6        | 670.75                 | 664.27                 |
| Trade receivables   | 7        | 4.66                   | 6.52                   |
| Loans   | 8        | 8,613.86               | 7,264.83               |
| Investments   | 9        | 1,593.79               | 787.71                 |
| Other financial assets  | 10       | 162.76                 | 75.80                  |
| <b>Total financial assets</b>   |          | <b>11,483.79</b>       | <b>8,977.15</b>        |
| <b>Non-financial assets</b>   |          |                        |                        |
| Income tax assets (net)   | 30       | 1.45                   | 2.52                   |
| Deferred tax assets (net)   | 30       | 5.51                   | 9.97                   |
| Property, plant and equipment   | 11(a)    | 18.91                  | 18.63                  |
| Capital work-in-progress  | 11(c)    | 91.48                  | 69.80                  |
| Right-of-use asset  | 11(d)    | 3.03                   | 2.82                   |
| Intangible assets under development   | 11(e)    | 0.02                   | 0.24                   |
| Other intangible assets   | 11(b)    | 2.54                   | 1.01                   |
| Other non-financial assets  | 12       | 57.76                  | 27.10                  |
| <b>Total non-financial assets</b>   |          | <b>180.70</b>          | <b>132.09</b>          |
| <b>Total assets</b>   |          | <b>11,664.49</b>       | <b>9,109.24</b>        |
| <b>LIABILITIES AND EQUITY</b>   |          |                        |                        |
| <b>LIABILITIES</b>  |          |                        |                        |
| <b>Financial liabilities</b>  |          |                        |                        |
| Payables  | 13       |                        |                        |
| (I) Trade payables  |          |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       |          | -                      | -                      |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 32.67                  | 15.74                  |
| (II) Other payables   |          |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       |          | -                      | -                      |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 8.21                   | 1.14                   |
| Debt securities   | 14       | 1,463.64               | 626.86                 |
| Borrowings (other than debt securities)   | 15       | 6,934.50               | 6,120.36               |
| Subordinated liabilities  | 16       | 303.65                 | 302.11                 |
| Other financial liabilities   | 17       | 309.85                 | 253.25                 |
| <b>Total financial liabilities</b>  |          | <b>9,052.52</b>        | <b>7,319.46</b>        |
| <b>Non-financial liabilities</b>  |          |                        |                        |
| Current tax liabilities (net)   | 30.3     | 10.93                  | 4.29                   |
| Provisions  | 18       | 9.20                   | 10.09                  |
| Other non-financial liabilities   | 19       | 6.04                   | 6.44                   |
| <b>Total non-financial liabilities</b>  |          | <b>26.17</b>           | <b>20.82</b>           |
| <b>Total liabilities</b>  |          | <b>9,078.69</b>        | <b>7,340.28</b>        |
| <b>EQUITY</b>   |          |                        |                        |
| Equity share capital  | 20       | 181.45                 | 163.99                 |
| Other equity  | 21       | 2,404.35               | 1,604.97               |
| <b>Total equity</b>   |          | <b>2,585.80</b>        | <b>1,768.96</b>        |
| <b>Total liabilities and equity</b>   |          | <b>11,664.49</b>       | <b>9,109.24</b>        |

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

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

**Darshana S. Pandya**

(Director & Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad

30 April 2025

Ahmedabad

30 April 2025

**For and on behalf of the Board of Directors of**

**MAS Financial Services Limited**

**Kamlesh C. Gandhi**

(Chairman & Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)

# Standalone Statement of Profit and Loss

for the year ended 31 March 2025

(₹ in Crores)

|  | Note no. | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|----------|-----------------------------|-----------------------------|
| <b>I. Revenue from operations</b>                            |          |                             |                             |
| Interest income  | 22       | 1,289.64                    | 1,022.28                    |
| Gain on assignment of financial assets                       |          | 143.09                      | 116.97                      |
| Fees and commission income                                   | 38       | 81.92                       | 70.04                       |
| Net gain on fair value changes                               | 23       | 2.54                        | 12.57                       |
| <b>Total revenue from operations</b>                         |          | <b>1,517.19</b>             | <b>1,221.86</b>             |
| Other income   | 24       | 3.26                        | 7.42                        |
| <b>Total income</b>  |          | <b>1,520.45</b>             | <b>1,229.28</b>             |
| <b>II. Expenses</b>  |          |                             |                             |
| Finance costs  | 25       | 722.38                      | 614.16                      |
| Fees and commission expense                                  |          | 67.50                       | 48.80                       |
| Impairment on financial assets                               | 26       | 126.12                      | 89.55                       |
| Employee benefits expenses                                   | 27       | 114.84                      | 87.05                       |
| Depreciation, amortization and impairment                    | 28       | 4.91                        | 3.81                        |
| Others expenses  | 29       | 74.27                       | 54.49                       |
| <b>Total expenses</b>  |          | <b>1,110.02</b>             | <b>897.86</b>               |
| <b>Profit before exceptional items and tax (I - II)</b>      |          | <b>410.43</b>               | <b>331.42</b>               |
| Exceptional items  |          | -                           | -                           |
| <b>III. Profit before tax</b>                                |          | <b>410.43</b>               | <b>331.42</b>               |
| <b>IV. Tax expense:</b>                                      |          |                             |                             |
| Current tax  | 30       | 103.85                      | 80.89                       |
| Short / (excess) provision for tax relating to prior years   | 30       | 1.00                        | (0.17)                      |
| <b>Net current tax expense</b>                               |          | <b>104.85</b>               | <b>80.72</b>                |
| Deferred tax expense / (credit)                              | 30       | (0.35)                      | 2.95                        |
| <b>Net tax expense</b>                                       |          | <b>104.50</b>               | <b>83.67</b>                |
| <b>V. Profit for the year (III - IV)</b>                     |          | <b>305.93</b>               | <b>247.75</b>               |
| <b>VI. Other comprehensive income</b>                        |          |                             |                             |
| (A) Items that will not be reclassified to profit or loss:   |          |                             |                             |
| Re-measurement of the defined benefit liabilities            |          | (0.73)                      | (0.52)                      |
| Income tax impact on above                                   |          | 0.18                        | 0.13                        |
| <b>Total (A)</b>   |          | <b>(0.55)</b>               | <b>(0.39)</b>               |
| (B) Items that will be reclassified to profit or loss:       |          |                             |                             |
| Loans and advances through other comprehensive Income        |          | 19.82                       | 21.57                       |
| Income tax impact on above                                   |          | (4.99)                      | (5.43)                      |
| <b>Total (B)</b>   |          | <b>14.83</b>                | <b>16.14</b>                |
| <b>Other comprehensive income (A+B)</b>                      |          | <b>14.28</b>                | <b>15.75</b>                |
| <b>VII. Total comprehensive income for the year (V + VI)</b> |          | <b>320.21</b>               | <b>263.50</b>               |
| <b>VIII. Earnings per equity share (of ₹ 10 each):</b>       | 31       |                             |                             |
| Basic (₹)  |          | 17.23                       | 15.11                       |
| Diluted (₹)  |          | 17.23                       | 15.11                       |

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

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

**Darshana S. Pandya**

(Director &amp; Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary &amp; Compliance Officer)

(Membership No: A41206)

Ahmedabad  
30 April 2025Ahmedabad  
30 April 2025**For and on behalf of the Board of Directors of  
MAS Financial Services Limited****Kamlesh C. Gandhi**

(Chairman &amp; Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)

# Standalone Statement of Changes in Equity

for the year ended 31 March 2025

## (A) EQUITY SHARE CAPITAL

|  | (₹ In Crores) |
|--|---------------|
| <b>Equity Share of ₹ 10 each issued, subscribed and fully paid</b> |               |
| <b>Balance at 31 March 2023</b>                                    | <b>54.66</b>  |
| Changes in Equity Share Capital due to prior period errors         | -             |
| <b>Restated balance at 31 March 2023</b>                           | <b>54.66</b>  |
| Changes in equity share capital during the year                    | 109.33        |
| <b>Balance at 31 March 2024</b>                                    | <b>163.99</b> |
| Changes in Equity Share Capital due to prior period errors         | -             |
| <b>Restated balance at 31 March 2024</b>                           | <b>163.99</b> |
| Changes in equity share capital during the year                    | 17.46         |
| <b>Balance at 31 March 2025</b>                                    | <b>181.45</b> |

## (B) OTHER EQUITY

|   | Reserves and surplus                    |                    |                   | Other comprehensive income     | Total           |
|---|---|--------------------|-------------------|--------------------------------|-----------------|
|   | Reserve u/s. 45-IC of the RBI Act, 1934 | Securities premium | Retained earnings | Loans and advances through OCI |                 |
| <b>Balance at 31 March 2023</b>                         | <b>252.10</b>                           | <b>426.87</b>      | <b>674.61</b>     | <b>97.49</b>                   | <b>1,451.07</b> |
| Profit for the year                                     | -                                       | -                  | 247.75            | -                              | 247.75          |
| Re-measurement of defined benefit plans (net of taxes)  | -                                       | -                  | (0.39)            | -                              | (0.39)          |
| Other comprehensive income (net of taxes)               | -                                       | -                  | -                 | 42.37                          | 42.37           |
| Final dividend on equity shares                         | -                                       | -                  | (10.11)           | -                              | (10.11)         |
| Interim dividend on equity shares                       | -                                       | -                  | (16.40)           | -                              | (16.40)         |
| Transfer to reserve u/s. 45-IC of the RBI Act, 1934     | 49.55                                   | -                  | (49.55)           | -                              | -               |
| On issue of bonus shares                                | -                                       | (109.32)           | -                 | -                              | (109.32)        |
| <b>Balance at 31 March 2024</b>                         | <b>301.65</b>                           | <b>317.55</b>      | <b>845.91</b>     | <b>139.86</b>                  | <b>1,604.97</b> |
| Profit for the year                                     | -                                       | -                  | 305.93            | -                              | 305.93          |
| Re-measurement of defined benefit plans (net of taxes)  | -                                       | -                  | (0.55)            | -                              | (0.55)          |
| Other comprehensive income (net of taxes)               | -                                       | -                  | -                 | 54.79                          | 54.79           |
| Final dividend on equity shares                         | -                                       | -                  | (9.24)            | -                              | (9.24)          |
| Interim dividend on equity shares                       | -                                       | -                  | (18.14)           | -                              | (18.14)         |
| Transfer to reserve u/s. 45-IC of the RBI Act, 1934     | 61.18                                   | -                  | (61.18)           | -                              | -               |
| On issue of equity shares (net of share issue expenses) | -                                       | 466.59             | -                 | -                              | 466.59          |
| <b>Balance at 31 March 2025</b>                         | <b>362.83</b>                           | <b>784.14</b>      | <b>1,062.73</b>   | <b>194.65</b>                  | <b>2,404.35</b> |

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

Ahmedabad

30 April 2025

**Darshana S. Pandya**

(Director & Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad

30 April 2025

**For and on behalf of the Board of Directors of**

**MAS Financial Services Limited**

**Kamlesh C. Gandhi**

(Chairman & Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)

# Standalone Statement of Cash Flows

for the year ended 31 March 2025

(₹ in Crores)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                             |                             |
| Net profit before tax   | 410.43                      | 331.42                      |
| Adjustments for :   |                             |                             |
| Depreciation and amortisation   | 4.91                        | 3.81                        |
| Finance cost  | 722.38                      | 614.16                      |
| Impairment on financial assets  | 126.12                      | 89.55                       |
| (Profit) / loss on sale of property, plant and equipment  | -                           | -                           |
| Interest income   | (1,289.64)                  | (1,022.28)                  |
| Gain on assignment of financial assets  | (143.09)                    | (116.97)                    |
| Net gain on fair value changes  | (0.73)                      | (2.48)                      |
| Net gain on sale of investments measured at amortized cost                                      | (1.24)                      | (4.84)                      |
| Financial guarantee commission income   | *                           | *                           |
| Unrealised gain on foreign exchange   | 0.48                        | (0.06)                      |
| Dividend income   | (1.26)                      | (1.26)                      |
| Gain on derecognition of leased assets  | (0.02)                      | (0.02)                      |
|   | (582.09)                    | (440.39)                    |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>  | <b>(171.66)</b>             | <b>(108.97)</b>             |
| Changes in working capital:   |                             |                             |
| Adjustments for (increase)/decrease in operating assets:  |                             |                             |
| Loans   | (1,246.17)                  | (1,264.89)                  |
| Trade receivables   | 1.86                        | (2.26)                      |
| Advances received against loan agreements   | (2.10)                      | 0.48                        |
| Bank balance other than cash and cash equivalents   | (6.46)                      | (130.52)                    |
| Other financial asset   | (59.33)                     | 9.76                        |
| Other non-financial asset   | (59.91)                     | (32.31)                     |
| Adjustments for increase/(decrease) in operating liabilities:                                   |                             |                             |
| Trade payable and other payable   | 24.02                       | 3.38                        |
| Other financial liabilities   | 55.33                       | (16.24)                     |
| Other non-financial liabilities   | (0.40)                      | 2.19                        |
| Provisions  | (0.06)                      | 0.54                        |
|   | (1,293.22)                  | (1,429.87)                  |
| <b>CASH GENERATED FROM / (USED IN) OPERATIONS</b>   | <b>(1,464.88)</b>           | <b>(1,538.84)</b>           |
| Interest income received  | 1,175.30                    | 921.45                      |
| Dividend received   | 1.26                        | 1.26                        |
| Interest income on Investment measured at amortised cost  | 91.83                       | 76.48                       |
| Finance cost paid   | (726.28)                    | (664.90)                    |
|   | 542.11                      | 334.29                      |
|   | (922.77)                    | (1,204.55)                  |
| Income tax paid (net)   | (97.14)                     | (78.29)                     |
| <b>NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)</b>                        | <b>(1,019.91)</b>           | <b>(1,282.84)</b>           |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                             |                             |
| Acquisition of property, plant and equipments and intangible assets, including capital advances | (29.13)                     | (19.95)                     |
| Purchase of investments   | (3,624.92)                  | (2,583.49)                  |
| Redemption of investments   | 2,819.14                    | 2,629.33                    |
| <b>NET CASH FLOW GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)</b>                        | <b>(834.91)</b>             | <b>25.89</b>                |



# Standalone Statement of Cash Flows

for the year ended 31 March 2025

(₹ in Crores)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                                |                             |                             |
| Proceeds from issue of equity shares   | 484.06                      | -                           |
| Proceeds from debt securities and borrowings                                 | 3,975.46                    | 3,637.17                    |
| Repayments of debt securities and borrowings                                 | (2,492.90)                  | (2,223.17)                  |
| Short term loans (Net)   | 176.31                      | (189.93)                    |
| Repayment of lease liabilities   | (0.77)                      | (0.45)                      |
| Dividends paid   | (27.39)                     | (26.51)                     |
| <b>NET CASH FLOW GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)</b>     | <b>2,114.77</b>             | <b>1,197.11</b>             |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>        | <b>259.95</b>               | <b>(59.84)</b>              |
| Cash and cash equivalents at the beginning of the year                       | 178.02                      | 237.86                      |
| <b>Cash and cash equivalents at the end of the year (refer note 1 below)</b> | <b>437.97</b>               | <b>178.02</b>               |

Notes:

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| 1 Cash and bank balances at the end of the year comprises:   |                        |                        |
| (a) Cash on hand   | 0.15                   | 0.12                   |
| (b) Balances with banks                                      | 212.70                 | 102.84                 |
| <b>Total</b>   | <b>212.85</b>          | <b>102.96</b>          |
| (c) Bank deposits with original maturity of 3 months or less | 225.12                 | 75.06                  |
| <b>Cash and cash equivalents as per the balance sheet</b>    | <b>437.97</b>          | <b>178.02</b>          |

- 2 The above cash flow statement has been prepared under the "indirect method" as set out in the Ind AS - 7 on statement of cash flows specified under section 133 of the Companies Act, 2013.
- 3 The Company as at 31 March 2025 has undrawn borrowing facilities amounting to ₹ 1395 Crores that may be available for future operating activities and to settle capital commitments.
- 4 **Change in liabilities arising from financing activities**

|  | 31 March 2024   | Cash flows      | Non-cash changes** | 31 March 2025   |
|--|-----------------|-----------------|--------------------|-----------------|
| Debt securities                                    | 626.86          | 843.75          | (6.97)             | 1,463.64        |
| Borrowings (other than debt securities)            | 6,120.36        | 815.12          | (0.98)             | 6,934.50        |
| Subordinated liabilities                           | 302.11          | -               | 1.54               | 303.65          |
| Lease liability                                    | 2.99            | (1.06)          | 1.41               | 3.34            |
| <b>Total liabilities from financing activities</b> | <b>7,052.32</b> | <b>1,657.81</b> | <b>(5.00)</b>      | <b>8,705.13</b> |

|  | 31 March 2023   | Cash flows      | Non-cash changes** | 31 March 2024   |
|--|-----------------|-----------------|--------------------|-----------------|
| Debt securities                                    | 627.26          | -               | (0.40)             | 626.86          |
| Borrowings (other than debt securities)            | 4,957.56        | 1,174.06        | (11.26)            | 6,120.36        |
| Subordinated liabilities                           | 252.70          | 50.00           | (0.59)             | 302.11          |
| Lease liability                                    | 1.14            | (0.64)          | 2.49               | 2.99            |
| <b>Total liabilities from financing activities</b> | <b>5,838.66</b> | <b>1,223.42</b> | <b>(9.76)</b>      | <b>7,052.32</b> |

\* Represents amount less than ₹ 50,000

\*\* Non-cash changes represents the effect of amortization of transaction cost.

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

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

**Darshana S. Pandya**

(Director & Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad  
30 April 2025

Ahmedabad  
30 April 2025

**For and on behalf of the Board of Directors of**

**MAS Financial Services Limited**

**Kamlesh C. Gandhi**

(Chairman & Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 1. CORPORATE INFORMATION

MAS Financial Services Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is registered as a systematically important non deposit taking non-banking finance Company ("NBFC") with Reserve Bank of India ("RBI"). The Company is engaged in the business of providing Micro Enterprise loans ("MEL"), Small and Medium Enterprise loans ("SME"), Two Wheeler loans ("TW"), Salaried Personal loans ("SPL"), Commercial Vehicle loans ("CV") and loans to NBFCs - to create the underlying assets of MEL, SME, TW, SPL and CV. Its shares are listed on two recognised stock exchanges in India i.e. BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

The Company's registered office is at 6, Ground Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road, Ahmedabad-380009, Gujarat, India.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These standalone financial statements of the Company have been prepared in accordance with the Indian Accounting standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. 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.

Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

### 2.2 Basis of measurement

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair values as required by relevant Ind AS.

### 2.3 Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (₹) which is the currency of the primary economic environment in which the Company operates (the "functional currency"). Amounts in the standalone financial statements are presented in crores rounded off to two decimal places as permitted by Schedule III to the Act, except when otherwise indicated.

### 2.4 Use of estimates, judgements and assumptions

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

#### Judgements

In the process of applying the Company's accounting policies, management has made judgements, which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value refer note 3.8 and note 41.

### ii) Effective interest rate ("EIR") method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/expense that are integral parts of the instrument.

### iii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement,

in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ("LTECL") basis.
- b) Development of ECL models, including the various formulas and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.
- e) Management overlay is used in circumstances where management in its objective review and internal assessment of emerging forward looking economic factors and related uncertainties.

### iv) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

For further details on provisions and other contingencies refer note 3.17.

## v) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including the amount expected to be paid / recovered for uncertain tax positions. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

## vi) Defined Benefit Plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable.

## 2.5 Presentation of the standalone financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 39.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- i) The normal course of business
- ii) The event of default

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

| Sr No. | Material Accounting Policies           | Reference In Balance Sheet & Profit And Loss Notes |
|--------|--|--|
| 1      | Recognition of interest income         | 22   |
| 2      | Impairment of financial assets         | 8.1, 26, 53  |
| 3      | Property, plant and equipment          | 11(a)  |
| 4      | Financial instrument                   | 41   |
| 5      | Intangible assets                      | 11(e), 11(b)                                       |
| 6      | Leases                                 | 11(d), 44  |
| 7      | Retirement and other employee benefits | 27, 40   |
| 8      | Finance cost                           | 25   |

### 3.1 Recognition of interest income

#### A. EIR method

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost and financial instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any 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

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

rate of return over the expected life of the financial instrument.

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

## B. Interest income

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

When a financial asset becomes credit impaired and is, therefore, regarded as stage 3, the Company calculates interest income on the net basis. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

## 3.2 Financial instrument - initial recognition

### A. Date of recognition

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

### B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments (Refer note 3.3(A)). Financial instruments are initially measured at their fair value (as defined in Note 3.8), transaction costs are added to or subtracted from this amount, except in the case of financial assets and financial liabilities recorded at FVTPL.

### C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- i) Amortised cost
- ii) FVOCI
- iii) FVTPL

## 3.3 Financial assets and liabilities

### A. Financial assets

#### *Business model assessment*

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

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

- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

#### *SPPI test*

As a second step of its classification process, the Company assesses the contractual terms of financial asset to identify whether they meet SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

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

Accordingly, financial assets are measured as follows:

i) *Financial assets carried at amortised cost*

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) *Financial assets measured at FVOCI*

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) *Financial assets at FVTPL*

A financial asset which is not classified in any of the above categories are measured at FVTPL.

iv) *Equity investment in subsidiaries*

The Company has accounted for its equity investments in subsidiaries at cost.

## B. Financial liability

i) *Initial recognition and measurement*

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue

of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) *Subsequent measurement*

Financial liabilities are carried at amortized cost using the effective interest method.

## 3.4 Reclassification of financial assets

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the circumstances in which the Company changes in its business model for managing those financial assets.

## 3.5 Derecognition of financial assets and liabilities

### A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

### B. Derecognition of financial assets other than due to substantial modification

i) *Financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

the statement of profit and loss as per Ind AS 109.

As per the guidelines of RBI, the Company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continue to recognise the portion retained by it as MRR.

## ii) Financial liability

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

## 3.6 Impairment of financial assets

### A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets together with loan commitments other than those measured at FVTPL.

Expected credit losses are measured through a loss allowance at an amount equal to:

- i.) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii.) Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

Both LTECLs and 12 months ECLs are calculated on collective basis for retail loans.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

**Stage 1:** When loans are first recognised, the Company recognises an allowance based

on 12 months ECL. Stage 1 loans includes those loans where there is no significant increase in credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2.

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL.

**Stage 3:** Loans considered credit impaired are the loans which are past due for more than 90 days. Borrowers are also classified under stage 3 bucket under instances like fraud identification and legal proceeding. Further, stage 3 loan accounts are identified at customer level (i.e. a Stage 1 or 2 customer having other loans which are in Stage 3). The Company records an allowance for life time ECL.

There is a curing period with Stage 3 loan, where even if the DPD days are reduced by 90 days the same will not be upgraded to Stage 1 until the loan is 0 DPD.

### Loan commitments:

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

### B. Calculation of ECLs

#### For retail loans

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

**PD** Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

**EAD** Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, expected drawdowns on committed facilities and accrued interest. Further, the EAD for stage 3 retail loan is the

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

outstanding exposure at the time loan is classified as Stage 3 for the first time.

**LGD** LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods.

$\% \text{ Recovery rate} = (\text{discounted recovery amount} + \text{security amount} + \text{discounted estimated recovery}) / (\text{total outstanding})$

$\% \text{ LGD} = 1 - \text{recovery rate}$

## *For retail asset channel ("RAC") loan portfolio*

For RAC loan portfolio, the Company has developed internal rating based approach for the purpose of ECL. The credit rating framework of the Company consists of various parameters based on which RAC loan portfolio is evaluated and credit rating is assigned.

The Company has developed its PD matrix based on the benchmarking of various external reports, ratings and Basel norms. This PD matrix is calibrated with its historical data and major events at a regular time interval in accordance with its ECL policy.

The LGD has been considered based on Basel-II Framework for all the level of RAC credit rating portfolio.

The Company calculates PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated EADs are reviewed. While at every year end, LGDs and PDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

**Stage 1:** The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast

EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

**Stage 3:** For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%. Credit impairment loans are determined at borrower level.

## *Loan commitments*

When estimating ECL for undrawn loan commitments, the Company estimates the amount sanctioned that will be disbursed after the reporting date. The ECL is then calculated using PD and LGD.

Management overlay is used to adjust the ECL allowance in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios. Emerging local or global macroeconomic, micro economic or political events, and natural disasters that are not incorporated into the current parameters, risk ratings, or forward looking information are examples of such circumstances. The use of management overlay may impact the amount of ECL recognized.

## *Significant increase in credit risk*

The Company monitors all financial assets, including loan commitments issued that are subject to impairment requirements, to assess whether there has been a significant increase in credit risk since initial recognition. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience that is available without undue cost or effort. However, when a financial asset becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is classified in Stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL. Further, a stage 2 customer having other loans which are in stage 1 are considered to have significant increase in credit risk.

## Definition of default

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL.

Financial assets in default represent those that are at least 90 DPD in respect of principal or interest and/or where the assets are otherwise considered to be unlikely to pay, including those that are credit-impaired.

## C. Loans and advances measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the statement of profit and loss upon derecognition of the assets.

## D. Forward looking information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time. For this purpose, the Company has used the data source of Economist Intelligence Unit.

## 3.7 Write-offs

The gross carrying amount of a financial asset is written off when the chances of recoveries are remote. 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 under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of profit and loss.

## 3.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;
- Level 2 financial instruments: Those where the inputs that are used for valuation 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; and
- Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

## 3.9 (I) Recognition of other income

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.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

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

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

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

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

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

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

## A. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

## B. Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case

lease income is recognised based on contractual terms.

## C. Other interest income

Other interest income is recognised on a time proportionate basis.

## D. Fees and commission income

Fees and commission income such as stamp and document charges, guarantee commission, service income, due diligence & evaluation charges and portfolio monitoring fees etc. are recognised on point in time basis.

## 3.9 (II) Recognition of other expense

### A. Finance cost

Finance costs are the interest and other costs that the Company incurs in connection with the borrowing of funds. Interest expenses are computed based on effective interest rate method.

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts, perpetual debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Finance costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other finance costs are charged to the statement of profit and loss for the period for which they are incurred.

## 3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## 3.11 Property, plant and equipment

Property, plant and equipment ("PPE") are carried at cost, less accumulated depreciation and impairment



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the Company and the cost of the item can be measured reliably.

Depreciation is calculated using the straight line method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated.

The estimated useful lives are, as follows:

- i) Buildings - 60 years
- ii) Office equipments - 3 to 10 years
- iii) Furniture and fixtures - 10 years
- iv) Vehicles - 8 years

Depreciation is provided on a pro-rata basis from the date on which such asset is ready for its intended use.

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.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date. Capital work-in-progress is stated at cost, net of impairment loss, if any.

## 3.12 Intangible assets

The Company's intangible assets include the value of software. 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 any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives (three years) using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

## 3.13 Impairment of non financial assets - property, plant and equipments and intangible assets

The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.

## 3.14 Leases

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.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less

Lease payments associated with short term leases or low value leases are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

## 3.15 Corporate guarantees

Corporate guarantees are initially recognised in the standalone financial statements (within "other non-financial liabilities") at fair value, being the notional

commission. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the statement of profit and loss. The notional commission is recognised in the statement of profit and loss under the head fees and commission income on a straight line basis over the life of the guarantee.

## 3.16 Retirement and other employee benefits

### Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed by the Company to the Life insurance corporation of India who administers the fund of the Company.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

### Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

result of past service provided by the employee and the obligation can be estimated reliably.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

## 3.17 Provisions, contingent liabilities and contingent assets

### A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

### B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

### C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements.

## 3.18 Taxes

### A. Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. Current tax

is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or equity.

### B. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

### C. Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

## 3.19 Earnings per share

Basic earnings per share ("EPS") is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the profit after tax

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

## 3.20 Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## 3.21 Repossessed asset

In the normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle the outstanding debt. These assets are recognised at fair value at the time of possession.

## 3.22 (I) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at rates of exchange on the reporting date.

Exchange difference on restatement of all other monetary items is recognised in the Statement of Profit and Loss.

## (II) Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics:

- i) Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- ii) It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- iii) It is settled at a future date.

The Company enters into derivative transactions with various counterparties to hedge its foreign currency exchange rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes forward contracts.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are recognised in the Statement of Profit and Loss.

## 4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

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.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 5 CASH AND CASH EQUIVALENTS

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Cash on hand  | 0.15                   | 0.12                   |
| Balances with banks:  |                        |                        |
| In current / cash credit accounts   | 212.70                 | 102.84                 |
| Bank deposits with original maturity of 3 months or less (refer note 1 below) | 225.12                 | 75.06                  |
| <b>Total cash and cash equivalents</b>  | <b>437.97</b>          | <b>178.02</b>          |

### Notes:

- Represents bank deposits against overdraft facility.

## 6 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| In current accounts (refer note 1 below)  | 0.11                   | 0.11                   |
| Earmarked balances with banks:  |                        |                        |
| Unclaimed dividend bank balances  | 0.03                   | 0.02                   |
| Unspent CSR bank balances   | 6.40                   | 5.72                   |
| In fixed deposit accounts:  |                        |                        |
| Deposits given as security against borrowings and other commitments             | 24.21                  | 23.45                  |
| Bank deposits with original maturity of more than 3 months (refer note 2 below) | 640.00                 | 634.97                 |
| <b>Total bank balance other than cash and cash equivalents</b>                  | <b>670.75</b>          | <b>664.27</b>          |

### Notes:

- Balance represents balance with banks in earmarked account i.e. "collection and pay-out account".
- Represents bank deposits against overdraft facility except balance amounting to ₹ 10 crore (31 March 2024 ₹ 0.10 crore) as regular deposit.

## 7 TRADE RECEIVABLES

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Trade receivables considered good-secured                        | -                      | -                      |
| Trade receivables considered good-unsecured                      | 4.66                   | 6.52                   |
| Trade receivables which have significant increase in credit risk | -                      | -                      |
| Trade receivables - credit impaired                              | -                      | -                      |
| <b>Total trade receivables</b>                                   | <b>4.66</b>            | <b>6.52</b>            |

### Notes:

- Impairment allowance recognised on trade receivables is ₹ Nil (Previous years: ₹ Nil).
- There is no due by directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member.



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## Trade Receivables ageing schedule as at 31 March 2025

(₹ In Crores)

| Particulars   | Unbilled | Not due for payment | Outstanding for following periods from due date of payment |                   |           |           |                   | Total |
|---|----------|---------------------|--|-------------------|-----------|-----------|-------------------|-------|
|   |          |                     | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years |       |
| Undisputed Trade receivables – considered good                                | 0.03     | -                   | 2.02   | 1.99              | 0.62      | -         | -                 | 4.66  |
| Undisputed Trade Receivables – which have significant increase in credit risk | -        | -                   | -  | -                 | -         | -         | -                 | -     |
| Undisputed Trade Receivables – credit impaired                                | -        | -                   | -  | -                 | -         | -         | -                 | -     |
| Disputed Trade Receivables – considered good                                  | -        | -                   | -  | -                 | -         | -         | -                 | -     |
| Disputed Trade Receivables – which have significant increase in credit risk   | -        | -                   | -  | -                 | -         | -         | -                 | -     |
| Disputed Trade Receivables – credit impaired                                  | -        | -                   | -  | -                 | -         | -         | -                 | -     |

## Trade Receivables ageing schedule as at 31 March 2024

(₹ In Crores)

| Particulars   | Unbilled | Not due for payment | Outstanding for following periods from due date of payment |                   |           |           |                   | Total |
|---|----------|---------------------|--|-------------------|-----------|-----------|-------------------|-------|
|   |          |                     | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years |       |
| Undisputed Trade receivables – considered good                                | -        | -                   | 5.09   | 1.28              | 0.15      | -         | -                 | 6.52  |
| Undisputed Trade Receivables – which have significant increase in credit risk | -        | -                   | -  | -                 | -         | -         | -                 | -     |
| Undisputed Trade Receivables – credit impaired                                | -        | -                   | -  | -                 | -         | -         | -                 | -     |
| Disputed Trade Receivables – considered good                                  | -        | -                   | -  | -                 | -         | -         | -                 | -     |
| Disputed Trade Receivables – which have significant increase in credit risk   | -        | -                   | -  | -                 | -         | -         | -                 | -     |
| Disputed Trade Receivables – credit impaired                                  | -        | -                   | -  | -                 | -         | -         | -                 | -     |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 8 LOANS

(₹ In Crores)

|   | As at 31 March 2025 |                           |                 | As at 31 March 2024 |                           |                 |
|---|---------------------|---------------------------|-----------------|---------------------|---------------------------|-----------------|
|   | At amortised cost   | At fair value through OCI | Total           | At amortised cost   | At fair value through OCI | Total           |
| Bills Receivables   | 95.28               | -                         | 95.28           | 121.02              | -                         | 121.02          |
| Add: Interest accrued but not due on Bills Purchased and Discounted | 0.04                | -                         | 0.04            | 0.05                | -                         | 0.05            |
| (A) (I) Bills Receivables   | 95.32               | -                         | 95.32           | 121.07              | -                         | 121.07          |
| Term loans (Excl. interest accrued)                                 | -                   | 8,427.66                  | 8,427.66        | -                   | 7,071.53                  | 7,071.53        |
| Add: Interest accrued but not due on term loans                     | -                   | 91.48                     | 91.48           | -                   | 72.51                     | 72.51           |
| (II) Term loans   | -                   | 8,519.14                  | 8,519.14        | -                   | 7,144.04                  | 7,144.04        |
| <b>Total (A)-Gross</b>  | <b>95.32</b>        | <b>8,519.14</b>           | <b>8,614.46</b> | <b>121.07</b>       | <b>7,144.04</b>           | <b>7,265.11</b> |
| Less: Impairment loss allowance                                     | (0.60)              | -                         | (0.60)          | (0.28)              | -                         | (0.28)          |
| <b>Total (A)-Net</b>  | <b>94.72</b>        | <b>8,519.14</b>           | <b>8,613.86</b> | <b>120.79</b>       | <b>7,144.04</b>           | <b>7,264.83</b> |
| (B) (i) Secured by tangible assets                                  | 95.32               | 5,966.92                  | 6,062.24        | 121.07              | 4,840.78                  | 4,961.85        |
| (ii) Unsecured  | -                   | 2,552.22                  | 2,552.22        | -                   | 2,303.26                  | 2,303.26        |
| <b>Total (B)-Gross</b>  | <b>95.32</b>        | <b>8,519.14</b>           | <b>8,614.46</b> | <b>121.07</b>       | <b>7,144.04</b>           | <b>7,265.11</b> |
| Less: Impairment loss allowance                                     | (0.60)              | -                         | (0.60)          | (0.28)              | -                         | (0.28)          |
| <b>Total (B)-Net</b>  | <b>94.72</b>        | <b>8,519.14</b>           | <b>8,613.86</b> | <b>120.79</b>       | <b>7,144.04</b>           | <b>7,264.83</b> |
| (C) (I) Loans in India  |                     |                           |                 |                     |                           |                 |
| (i) Public sector   | -                   | -                         | -               | -                   | -                         | -               |
| (ii) Private sector   | 95.32               | 8,519.14                  | 8,614.46        | 121.07              | 7,144.04                  | 7,265.11        |
| <b>Total (C)-Gross</b>  | <b>95.32</b>        | <b>8,519.14</b>           | <b>8,614.46</b> | <b>121.07</b>       | <b>7,144.04</b>           | <b>7,265.11</b> |
| Less: Impairment loss allowance                                     | (0.60)              | -                         | (0.60)          | (0.28)              | -                         | (0.28)          |
| <b>Total (C) (I) -Net</b>   | <b>94.72</b>        | <b>8,519.14</b>           | <b>8,613.86</b> | <b>120.79</b>       | <b>7,144.04</b>           | <b>7,264.83</b> |
| (C) (II) Loans outside India  | -                   | -                         | -               | -                   | -                         | -               |
| Less: Impairment loss allowance                                     | -                   | -                         | -               | -                   | -                         | -               |
| <b>Total (C) (II)- Net</b>  | <b>-</b>            | <b>-</b>                  | <b>-</b>        | <b>-</b>            | <b>-</b>                  | <b>-</b>        |
| <b>Total C(I) and C(II)</b>   | <b>94.72</b>        | <b>8,519.14</b>           | <b>8,613.86</b> | <b>120.79</b>       | <b>7,144.04</b>           | <b>7,264.83</b> |

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person

(₹ In Crores)

| Particulars     | As at 31 March 2025 |     | % to the total Loans and Advances in the nature of loans | As at 31 March 2024 |     | % to the total Loans and Advances in the nature of loans |
|-----------------|---------------------|-----|--|---------------------|-----|--|
|                 |                     |     |  |                     |     |  |
| Promoter        | Nil                 | Nil |  | Nil                 | Nil |  |
| Directors       | Nil                 | Nil |  | Nil                 | Nil |  |
| KMPs            | Nil                 | Nil |  | Nil                 | Nil |  |
| Related parties | Nil                 | Nil |  | Nil                 | Nil |  |

### Notes:

- There are no loans outstanding to Companies in which directors are interested.
- The impairment on loans measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 8.1 An analysis of changes in the gross carrying amount of loans is given below#

(₹ In Crores)

|  | 31 March 2025   |               |               |                 | 31 March 2024   |               |               |                 |
|--|-----------------|---------------|---------------|-----------------|-----------------|---------------|---------------|-----------------|
|  | Stage 1         | Stage 2       | Stage 3       | Total           | Stage 1         | Stage 2       | Stage 3       | Total           |
| <b>Gross carrying amount opening balance</b>                                   | <b>7,026.21</b> | <b>114.62</b> | <b>190.58</b> | <b>7,331.41</b> | <b>5,708.05</b> | <b>111.31</b> | <b>132.70</b> | <b>5,952.06</b> |
| Changes in opening credit exposures (net of repayment and excluding write off) | (5,196.52)      | (54.27)       | (53.00)       | (5,303.79)      | (4,230.83)      | (61.29)       | (48.97)       | (4,341.09)      |
| New assets originated (net of repayment)**                                     | 6599.36         | 91.09         | 41.38         | 6,731.83        | 5,635.68        | 78.71         | 54.18         | 5,768.57        |
| Transfers from Stage 1   | (136.98)        | 52.29         | 84.69         | -               | (91.11)         | 32.72         | 58.39         | -               |
| Transfers from Stage 2   | 14.48           | (55.61)       | 41.13         | -               | 3.33            | (45.47)       | 42.14         | -               |
| Transfers from Stage 3   | 2.48            | 0.56          | (3.04)        | -               | 1.20            | -             | (1.20)        | -               |
| Amounts written off (net of recoveries)  | (0.52)          | (0.31)        | (53.78)       | (54.61)         | (0.11)          | (1.36)        | (46.66)       | (48.13)         |
| <b>Gross carrying amount closing balance</b>                                   | <b>8,308.51</b> | <b>148.37</b> | <b>247.96</b> | <b>8,704.84</b> | <b>7,026.21</b> | <b>114.62</b> | <b>190.58</b> | <b>7,331.41</b> |

# The above classification also includes balance of spread receivable on assigned portfolio. (Refer note 10)

\*\* New assets originated are those assets which have either remained in stage 1 or have become stage 2 or 3 at the year end.

## 8.2 Reconciliation of ECL balance is given below

(₹ In Crores)

|  | 31 March 2025 |              |               |               | 31 March 2024 |              |              |               |
|--|---------------|--------------|---------------|---------------|---------------|--------------|--------------|---------------|
|  | Stage 1       | Stage 2      | Stage 3       | Total         | Stage 1       | Stage 2      | Stage 3      | Total         |
| <b>ECL allowance - opening balance</b>   | <b>29.21</b>  | <b>26.06</b> | <b>74.17</b>  | <b>129.44</b> | <b>30.34</b>  | <b>19.77</b> | <b>53.35</b> | <b>103.46</b> |
| Changes in opening credit exposures (net of repayment and excluding write off) | 22.11         | (8.59)       | (13.13)       | 0.40          | 1.70          | 3.79         | (13.99)      | (8.51)        |
| New assets originated (net of repayment)                                       | 26.65         | 21.04        | 15.58         | 63.27         | 23.74         | 17.71        | 19.13        | 60.58         |
| Transfers from Stage 1   | (44.04)       | 11.07        | 32.97         | -             | (26.65)       | 7.78         | 18.86        | -             |
| Transfers from Stage 2   | 0.11          | (16.48)      | 16.37         | -             | 0.07          | (22.74)      | 22.67        | -             |
| Transfers from Stage 3   | 0.03          | 0.11         | (0.14)        | -             | 0.00          | -            | (0.00)       | -             |
| Amounts written off  | (0.06)        | (0.10)       | (23.23)       | (23.38)       | (0.00)        | (0.25)       | (25.85)      | (26.10)       |
| <b>ECL allowance - closing balance</b>   | <b>34.01</b>  | <b>33.12</b> | <b>102.60</b> | <b>169.72</b> | <b>29.21</b>  | <b>26.06</b> | <b>74.17</b> | <b>129.44</b> |

The contractual amount outstanding on loans that have been written off during the year, but were still subject to enforcement activity is ₹ 54.61 crores at 31 March 2025 (31 March 2024 : ₹ 48.13 crores).

The increase in ECL was driven by an increase in the gross amount of the portfolio, movements between stages as a result of increase in credit risk, change in probability of default, macro economic factors and management overlays due to estimated macro-economic factors. The extent to which macro-economic factors will impact current estimates of ECL is uncertain at this point of time. The Company has conducted a qualitative assessment and has considered forecasted macro economic factors and a higher probability of default to factor on impairment allowances. For further details, refer note 43.

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 8.3 Credit quality of loan asset

The table below shows the gross carrying amount of loans based on the Company's internal grades and year-end stage classification of loans. The amounts presented are gross of impairment allowances. Details of the Company's internal grades are explained in note 43.1.

| (₹ In Crores)          |                     |               |               |                 |                     |               |               |                 |
|------------------------|---------------------|---------------|---------------|-----------------|---------------------|---------------|---------------|-----------------|
|                        | As at 31 March 2025 |               |               |                 | As at 31 March 2024 |               |               |                 |
|                        | Stage 1             | Stage 2       | Stage 3       | Total           | Stage 1             | Stage 2       | Stage 3       | Total           |
| <b>Internal grades</b> |                     |               |               |                 |                     |               |               |                 |
| <b>Performing</b>      |                     |               |               |                 |                     |               |               |                 |
| High quality assets    | 8,308.51            | -             | -             | 8,308.51        | 7,026.21            | -             | -             | 7,026.21        |
| Quality assets         | -                   | 79.37         | -             | 79.37           | -                   | 59.04         | -             | 59.04           |
| Standard assets        | -                   | 69.00         | -             | 69.00           | -                   | 55.58         | -             | 55.58           |
| <b>Non-performing</b>  |                     |               |               |                 |                     |               |               |                 |
| Sub standard assets    | -                   | -             | 89.42         | 89.42           | -                   | -             | 96.61         | 96.61           |
| Low quality assets     | -                   | -             | 158.54        | 158.54          | -                   | -             | 93.97         | 93.97           |
| <b>Total</b>           | <b>8,308.51</b>     | <b>148.37</b> | <b>247.96</b> | <b>8,704.84</b> | <b>7,026.21</b>     | <b>114.62</b> | <b>190.58</b> | <b>7,331.41</b> |

## 9 INVESTMENTS

| (₹ In Crores)   |                     |                           |              |                 |                     |                           |              |               |
|---|---------------------|---------------------------|--------------|-----------------|---------------------|---------------------------|--------------|---------------|
|   | As at 31 March 2025 |                           |              |                 | As at 31 March 2024 |                           |              |               |
|   | At amortised cost   | At fair value through P&L | Others       | Total           | At amortised cost   | At fair value through P&L | Others       | Total         |
| <b>Investments in</b>                                       |                     |                           |              |                 |                     |                           |              |               |
| Alternative investment funds                                | -                   | -                         | -            | -               | -                   | 2.36                      | -            | 2.36          |
| Pass through certificates under securitization transactions | 922.03              | -                         | -            | 922.03          | 507.81              | -                         | -            | 507.81        |
| Market linked debentures                                    | -                   | -                         | -            | -               | -                   | 50.95                     | -            | 50.95         |
| Non - convertible debentures                                | 589.36              | -                         | -            | 589.36          | 159.08              | -                         | -            | 159.08        |
| Mutual fund units   | -                   | 6.86                      | -            | 6.86            | -                   | 6.14                      | -            | 6.14          |
| Subsidiaries #  | -                   | -                         | 76.55        | 76.55           | -                   | -                         | 61.55        | 61.55         |
| <b>Total – Gross (A)</b>                                    | <b>1,511.39</b>     | <b>6.86</b>               | <b>76.55</b> | <b>1,594.80</b> | <b>666.89</b>       | <b>59.45</b>              | <b>61.55</b> | <b>787.89</b> |
| (i) Investments outside India                               | -                   | -                         | -            | -               | -                   | -                         | -            | -             |
| (ii) Investments in India                                   | 1,511.39            | 6.86                      | 76.55        | 1,594.80        | 666.89              | 59.45                     | 61.55        | 787.89        |
| <b>Total (B)</b>  | <b>1,511.39</b>     | <b>6.86</b>               | <b>76.55</b> | <b>1,594.80</b> | <b>666.89</b>       | <b>59.45</b>              | <b>61.55</b> | <b>787.89</b> |
| Less: Allowance for Impairment Loss (C)                     | (1.01)              | -                         | -            | (1.01)          | (0.18)              | -                         | -            | (0.18)        |
| <b>Total – Net D= (A)-(C)</b>                               | <b>1,510.38</b>     | <b>6.86</b>               | <b>76.55</b> | <b>1,593.79</b> | <b>666.71</b>       | <b>59.45</b>              | <b>61.55</b> | <b>787.71</b> |

# Investments in subsidiaries

| (₹ In Crores)   |               |               |
|---|---------------|---------------|
|   | 31 March 2025 | 31 March 2024 |
| Investment in MAS Rural Housing & Mortgage Finance Limited (1,51,60,952 Equity shares (F.Y.23-24 1,38,96,521 ) of face value of ₹ 10 each) and Investment in Masfin Insurance Broking Private Limited (3,45,000 Equity shares of face value of ₹ 10 each) [Refer note1 below] | 53.43         | 35.09         |
| Investment in optionally convertible preference shares of subsidiary (1,66,66,670 Preference shares ( F.Y. 2023-24 2,00,00,000 ) of face value of ₹ 10 each) [Refer note 2 below]   | 16.66         | 20.00         |
| Deemed investment in optionally convertible preference shares of subsidiary   | 4.00          | 4.00          |
| Investment in subsidiary on account of:   |               |               |
| Corporate financial guarantee given to bank on behalf of subsidiary   | 2.39          | 2.39          |
| Issuance of equity shares to the employees of subsidiary at discount  | 0.07          | 0.07          |
| <b>Total</b>  | <b>76.55</b>  | <b>61.55</b>  |

#### Note :

- During the year, the Company has invested an amount of ₹ 15 crore in MAS Rural Housing & Mortgage Finance Limited, a subsidiary of the Company, by subscribing to 9,31,098 no. of equity shares of face value of ₹ 10 each for cash at ₹ 161.10 (including premium of ₹ 151.10 ) per share

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

- During the year, the Company has been allotted 3,33,333 equity shares of MAS Rural Housing and Mortgage Finance Limited ("Subsidiary Company") being 33.33% of the total OCPS held by the Company due to conversion of said OCPS into the Equity shares of Subsidiary Company on September 12, 2024.
- "Equity investment in subsidiary" is measured at cost.

## 10 OTHER FINANCIAL ASSETS

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Security deposits                           | 1.61                   | 1.39                   |
| Spread receivable on assigned portfolio     | 90.38                  | 66.30                  |
| Interest accrued but not due on investments | 6.30                   | 2.75                   |
| Advances to dealers                         | 64.47                  | 3.45                   |
| Derivative financial instruments            | -                      | 1.91                   |
| <b>Total other financial assets</b>         | <b>162.76</b>          | <b>75.80</b>           |

## 11 PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

| Nature of assets                 | Property, plant and equipment (a) |                  |                        |          | Other Intangible assets (b) |          |       |
|----------------------------------|-----------------------------------|------------------|------------------------|----------|-----------------------------|----------|-------|
|                                  | Buildings                         | Office equipment | Furniture and fixtures | Vehicles | Total                       | Software | Total |
| <b>Cost</b>                      |                                   |                  |                        |          |                             |          |       |
| At 31 March 2023                 | 6.68                              | 5.89             | 4.56                   | 3.39     | 20.51                       | 1.64     | 1.64  |
| Additions                        | -                                 | 2.61             | 1.68                   | 3.11     | 7.40                        | 0.50     | 0.50  |
| Disposals                        | -                                 | -                | -                      | -        | -                           | -        | -     |
| At 31 March 2024                 | 6.68                              | 8.50             | 6.24                   | 6.50     | 27.91                       | 2.14     | 2.14  |
| Additions                        | -                                 | 2.87             | 0.76                   | -        | 3.63                        | 2.16     | 2.16  |
| Disposals                        | -                                 | -                | -                      | -        | -                           | -        | -     |
| At 31 March 2025                 | 6.68                              | 11.37            | 7.00                   | 6.50     | 31.54                       | 4.30     | 4.30  |
| <b>Depreciation/Amortisation</b> |                                   |                  |                        |          |                             |          |       |
| At 31 March 2023                 | 0.65                              | 3.09             | 1.58                   | 1.24     | 6.56                        | 0.61     | 0.61  |
| Depreciation/amortization charge | 0.12                              | 1.26             | 0.76                   | 0.58     | 2.72                        | 0.52     | 0.52  |
| Disposal                         | -                                 | -                | -                      | -        | -                           | -        | -     |
| At 31 March 2024                 | 0.77                              | 4.35             | 2.34                   | 1.82     | 9.28                        | 1.13     | 1.13  |
| Depreciation/amortization charge | 0.11                              | 1.88             | 0.69                   | 0.67     | 3.35                        | 0.63     | 0.63  |
| Disposal                         | -                                 | -                | -                      | -        | -                           | -        | -     |
| At 31 March 2025                 | 0.88                              | 6.23             | 3.03                   | 2.49     | 12.63                       | 1.76     | 1.76  |
| <b>Net block value:</b>          |                                   |                  |                        |          |                             |          |       |
| At 31 March 2024                 | 5.91                              | 4.15             | 3.90                   | 4.68     | 18.63                       | 1.01     | 1.01  |
| At 31 March 2025                 | 5.80                              | 5.14             | 3.97                   | 4.01     | 18.91                       | 2.54     | 2.54  |

Note: No revaluation of any class of asset is carried out during the year.



## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### (c) Capital work in progress

Capital work in progress includes borrowing costs related to development of building amounted to ₹ 0.65 crores (31 March 2024: ₹ 1.01 crores). Finance costs are capitalised at MCLR + 1.15% p.a. - presently 10.30% p.a. for the year ended 31 March 2025.

(₹ In Crores)

|                                 |              |
|---------------------------------|--------------|
| <b>Capital work-in-progress</b> |              |
| <b>At 31 March 2023</b>         | <b>57.66</b> |
| Additions                       | 12.14        |
| Disposals                       | -            |
| <b>At 31 March 2024</b>         | <b>69.80</b> |
| Additions                       | 21.68        |
| Disposals                       | -            |
| <b>At 31 March 2025</b>         | <b>91.48</b> |

### Capital work in progress aging schedule

(₹ In Crores)

| Particulars                    | Amount in CWIP for a period of |           |           |                   | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| <b>As at 31 March 2025</b>     |                                |           |           |                   |       |
| Projects in progress           | 21.68                          | 12.14     | 5.72      | 51.94             | 91.48 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -     |
| <b>As at 31 March 2024</b>     |                                |           |           |                   |       |
| Projects in progress           | 12.14                          | 5.72      | 1.91      | 50.03             | 69.80 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -     |

### Capital work in progress completion schedule for projects where completion is overdue

(₹ In Crores)

| Particulars                | To be completed in |           |           |                   | Total |
|----------------------------|--------------------|-----------|-----------|-------------------|-------|
|                            | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |       |
| <b>As at 31 March 2025</b> |                    |           |           |                   |       |
| MAS headquarters           | -                  | -         | 91.48     | -                 | 91.48 |
| <b>As at 31 March 2024</b> |                    |           |           |                   |       |
| MAS headquarters           | -                  | -         | -         | 69.80             | 69.80 |

### (d) Right-of-use asset

The details of the right-of-use asset held by the Company is as follows:

(₹ In Crores)

|                         |             |
|-------------------------|-------------|
| <b>Office Premises</b>  |             |
| <b>At 31 March 2023</b> | <b>3.28</b> |
| Additions               | 2.62        |
| Disposals               | 0.34        |
| <b>At 31 March 2024</b> | <b>5.56</b> |
| Additions               | 1.31        |
| Disposals               | 0.25        |
| <b>At 31 March 2025</b> | <b>6.62</b> |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|                         |             |
|-------------------------|-------------|
| <b>Amortisation</b>     |             |
| <b>At 31 March 2023</b> | <b>2.21</b> |
| Additions               | 0.57        |
| Disposals               | 0.04        |
| <b>At 31 March 2024</b> | <b>2.74</b> |
| Additions               | 0.93        |
| Disposals               | 0.08        |
| <b>At 31 March 2025</b> | <b>3.59</b> |
| <b>Net Block Value:</b> |             |
| <b>At 31 March 2024</b> | <b>2.82</b> |
| <b>At 31 March 2025</b> | <b>3.03</b> |

## (e) Intangible assets under development

|  |             |
|--|-------------|
| <b>Intangible assets under development</b> |             |
| <b>At 31 March 2023</b>                    | <b>0.33</b> |
| Additions                                  | 0.24        |
| Disposals                                  | 0.33        |
| <b>At 31 March 2024</b>                    | <b>0.24</b> |
| Additions                                  | 1.88        |
| Disposals                                  | 2.10        |
| <b>At 31 March 2025</b>                    | <b>0.02</b> |

## Intangible assets under development aging schedule

(₹ In Crores)

| Particulars                    | Amount in intangible assets under development for a period of |           |           |                   | Total |
|--------------------------------|---|-----------|-----------|-------------------|-------|
|                                | Less than 1 year  | 1-2 years | 2-3 years | More than 3 years |       |
|                                |   |           |           |                   |       |
| <b>As at 31 March 2025</b>     |   |           |           |                   |       |
| Projects in progress           | 0.02  | -         | -         | -                 | 0.02  |
| Projects temporarily suspended | -   | -         | -         | -                 | -     |
| <b>As at 31 March 2024</b>     |   |           |           |                   |       |
| Projects in progress           | 0.24  | -         | -         | -                 | 0.24  |
| Projects temporarily suspended | -   | -         | -         | -                 | -     |

## 12 OTHER NON-FINANCIAL ASSETS

(₹ In Crores)

|                                     | <b>As at 31 March 2025</b> | <b>As at 31 March 2024</b> |
|-------------------------------------|----------------------------|----------------------------|
| Prepaid expenses                    | 16.37                      | 14.24                      |
| Advances to employees               | 0.12                       | 0.18                       |
| Re-possessed assets                 | 30.45                      | 8.16                       |
| Balance with Government Authorities | 6.65                       | 2.23                       |
| Capital advances                    | 1.90                       | 0.03                       |
| Gratuity fund [Refer note 40(b)]    | 0.63                       | 1.23                       |
| Other advances                      | 1.64                       | 1.03                       |
| <b>Total</b>                        | <b>57.76</b>               | <b>27.10</b>               |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 13 PAYABLES

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>(a) Trade payables</b>   |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       | -                      | -                      |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 32.67                  | 15.74                  |
| <b>(b) Other payables</b>   |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       | -                      | -                      |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 8.21                   | 1.14                   |
| <b>Total</b>  | <b>40.88</b>           | <b>16.88</b>           |

### Trade Payables aging schedule

| (₹ In Crores)               |              |                        |   |           |           |                      |              |
|-----------------------------|--------------|------------------------|---|-----------|-----------|----------------------|--------------|
| Particulars                 | Unbilled     | Not due for<br>payment | Outstanding for following periods from due date<br>of payment |           |           |                      | Total        |
|                             |              |                        | Less than<br>1 year   | 1-2 years | 2-3 years | More than<br>3 years |              |
| <b>As at 31 March 2025</b>  |              |                        |   |           |           |                      |              |
| (i) MSME                    | -            | -                      | -   | -         | -         | -                    | -            |
| (ii) Others                 | 31.95        | -                      | 0.72  | -         | -         | -                    | 32.67        |
| (iii) Disputed dues – MSME  | -            | -                      | -   | -         | -         | -                    | -            |
| (iv) Disputed dues - Others | -            | -                      | -   | -         | -         | -                    | -            |
| <b>Total</b>                | <b>31.95</b> | <b>-</b>               | <b>0.72</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>             | <b>32.67</b> |
| <b>As at 31 March 2024</b>  |              |                        |   |           |           |                      |              |
| (i) MSME                    | -            | -                      | -   | -         | -         | -                    | -            |
| (ii) Others                 | 10.46        | -                      | 5.28  | -         | -         | -                    | 15.74        |
| (iii) Disputed dues – MSME  | -            | -                      | -   | -         | -         | -                    | -            |
| (iv) Disputed dues - Others | -            | -                      | -   | -         | -         | -                    | -            |
| <b>Total</b>                | <b>10.46</b> | <b>-</b>               | <b>5.28</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>             | <b>15.74</b> |

### Micro, Small and Medium Enterprises:

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as “the MSMED Act”) are given below:

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>(a) Dues remaining unpaid to any supplier at the year end</b>  |                        |                        |
| - Principal   | -                      | -                      |
| - Interest on above   | -                      | -                      |
| <b>(b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year</b>     |                        |                        |
| - Principal paid beyond the appointed date  | -                      | -                      |
| - Interest paid in terms of Section 16 of the MSMED Act   | -                      | -                      |
| <b>(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year</b>                                     | -                      | -                      |
| <b>(d) Amount of interest accrued and remaining unpaid</b>  | -                      | -                      |
| <b>(e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises</b> | -                      | -                      |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 14 DEBT SECURITIES (AT AMORTISED COST) (REFER NOTE 14.1)

(₹ In Crores)

|                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------|------------------------|------------------------|
| Secured non-convertible debentures | 1,475.00               | 531.25                 |
| Secured Market Linked debenture    | -                      | 100.00                 |
| Less: Unamortised borrowing costs  | (11.36)                | (4.39)                 |
| <b>Total</b>                       | <b>1,463.64</b>        | <b>626.86</b>          |
| Debt securities in India           | 1,463.64               | 626.86                 |
| Debt securities outside India      | -                      | -                      |
| <b>Total</b>                       | <b>1,463.64</b>        | <b>626.86</b>          |

### 14.1 Details of terms of redemption/repayment in respect of debt securities:

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment  | Security  |
|--|------------------------|------------------------|---|---|
| <b>Debentures</b>  |                        |                        |   |   |
| 500 rated, listed, redeemable, senior, secured, non-convertible debentures of ₹ 10,00,000 each                                   | -                      | 6.25                   | Coupon Rate: Benchmark Rate +173 bps<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Quarterly<br>Tenor : 2 years                                     | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10,000, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures ₹1,00,000 each              | 100.00                 | 100.00                 | Coupon Rate: Benchmark Rate +271 bps<br>Coupon Payment frequency : Quarterly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 3 years      | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10000, rated, listed, senior, secured, redeemable, taxable, transferable, non-convertible debentures of ₹1,00,000 each           | 100.00                 | 100.00                 | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months                  | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 12,500, fully paid, senior, secured, listed, rated, taxable, redeemable, transferable, non-convertible debentures ₹1,00,000 each | 125.00                 | 125.00                 | Coupon Rate: Benchmark Rate +266 bps<br>Coupon Payment frequency : Yearly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 20,000 rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures of ₹1,00,000 each           | 150.00                 | 200.00                 | Coupon Rate: Benchmark rate<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Semi annually<br>Tenor : 4 years  | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.   | 100.00                 | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months                  | Secured by a first ranking exclusive Hypothecation charge over Assets |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment  | Security  |
|---|------------------------|------------------------|---|---|
| 5000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.   | 50.00                  |                        | - Coupon Rate:Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 3 years         | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 15000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 150.00                 |                        | - Coupon Rate:Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 100.00                 |                        | - Coupon Rate:Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 100.00                 |                        | - Coupon Rate:Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 125000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures. | 125.00                 |                        | - Coupon Rate:Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 years         | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 35000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 35.00                  |                        | - Coupon Rate:Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 7500 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.   | 75.00                  |                        | - Coupon Rate:Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 years         | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 65000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 65.00                  |                        | - Coupon Rate:Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 years         | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 15000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 150.00                 |                        | - Coupon Rate: Benchmark rate<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Semi annually<br>Tenor : 4 years                        | Secured by a first ranking exclusive Hypothecation charge over Assets |



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment   | Security  |
|---|------------------------|------------------------|--|---|
| 5000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures. | 50.00                  | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 years       | Secured by a first ranking exclusive Hypothecation charge over Assets |
| Market Linked Debentures  | -                      | 100.00                 | Coupon Rate: Market Linked<br>Coupon Payment frequency : on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 Year and 2 days | Secured by a first ranking exclusive Hypothecation charge over Assets |
| <b>Total debentures</b>   | <b>1,475.00</b>        | <b>631.25</b>          |  |   |

## 15 BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTISED COST)

(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| (a) Term loans (refer note 15.1)  |                        |                        |
| (i) from banks  |                        |                        |
| -In Indian Rupees   | 3,690.65               | 3,324.96               |
| -In Foreign Currency [refer note 43.3(b)]   | 759.73                 | 577.04                 |
| (ii) from other parties (financial institutions)                                  | 1,232.93               | 1,142.02               |
| (b) Loans repayable on demand from banks-cash credit/overdraft (Refer note below) | 221.45                 | -                      |
| (c) Short term loans from banks (Refer note (b) below)                            | 1,069.37               | 1,114.50               |
| Less: Unamortised borrowing costs   | (39.63)                | (38.16)                |
| <b>Total</b>  | <b>6,934.50</b>        | <b>6,120.36</b>        |
| Secured   | 6,909.55               | 6,095.45               |
| Unsecured   | 24.95                  | 24.91                  |
| <b>Total</b>  | <b>6,934.50</b>        | <b>6,120.36</b>        |
| Borrowings in India   | 6,934.50               | 6,120.36               |
| Borrowings outside India  | -                      | -                      |
| <b>Total</b>  | <b>6,934.50</b>        | <b>6,120.36</b>        |

### Note:

#### For Cash credit / Overdraft and short term loans

- (a) Cash credit / short term loans from banks are secured by hypothecation of movable assets of the Company and goods covered under hypothecation ("HP") agreements / Loan cum HP agreements and book debts, receivables, loans and advances and entire portfolio outstanding (except specific portfolio generated from various term loans sanctioned by various banks/financial institutions on an exclusive basis) and equitable mortgage/negative lien by deposit of title deeds on some of the Company's immovable properties, as collateral security. The loans are also guaranteed by Mr. Kamlesh Chimanlal Gandhi, Mrs. Shweta Kamlesh Gandhi. Overdraft loans are secured against fixed deposits placed.

- (b) Interest rate range

Interest rate ranges from 7.65 % p.a. to 9.10 % p.a. as at 31 March 2025.

Interest rate ranges from 8.75 % p.a. to 9.40 % p.a. as at 31 March 2024.

The Company has not defaulted in repayment of borrowings and interest.

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

The Company has availed borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts of the Company.

The carrying amount of financial assets which is hypothecated against all secured borrowing inclusive of margin requirement ranging from 1.10 times to 1.25 times is amounting to ₹ 9,214.20 crores (31 March 2024: ₹ 7,512.28 crores).

### 15.1 Details of terms of repayment in respect of term loans:

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                                | Security   |
|---|------------------------|------------------------|---|--|
| (₹ In Crores)                               |                        |                        |   |  |
| <b>Term loans from banks (Refer note i)</b> |                        |                        |   |  |
| <b>In Indian Rupees</b>                     |                        |                        |   |  |
| Term Loan - 1                               | -                      | 25.00                  | Repayable in 12 Quarterly installments from 31 March 2022     | Exclusive charge by way of hypothecation of on standard receivables of the Borrower  |
| Term Loan - 2                               | 11.94                  | 27.95                  | Repayable in 20 Quarterly installments from 30 June 2021.     | Secured by a first ranking and exclusive charge on standard receivables of the Company created out of the loan availed. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.                       |
| Term Loan - 3                               | 44.99                  | 74.99                  | Repayable in 20 Quarterly installments from 05 November 2021. | Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 4                               | -                      | 66.67                  | Repayable in 12 Quarterly installments from 30 June 2022.     | Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.           |
| Term Loan - 5                               | -                      | 41.67                  | Repayable in 36 monthly installments from 01 May 2022.        | First Exclusive hypothecation charge on book debts created out of Bank Loan.   |
| Term Loan - 6                               | 30.13                  | 50.09                  | Repayable in 20 Quarterly installments from 31 March 2022.    | Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the company out of the proposed term loan to the Company.                                   |
| Term Loan - 7                               | -                      | 18.18                  | Repayable in 33 monthly installments from 30 July 2022.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 8                               | 4.31                   | 8.45                   | Repayable in 96 monthly installments from 7 April 2018.       | First and exclusive charge on land, property and commercial property under construction.   |
| Term Loan - 9                               | -                      | 0.34                   | Repayable in 36 monthly installments from 7 April 2021.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 10                              | -                      | 1.35                   | Repayable in 36 monthly installments from 7 April 2021.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 11                              | -                      | 0.56                   | Repayable in 36 monthly installments from 7 April 2021.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 12                              | -                      | 1.14                   | Repayable in 36 monthly installments from 7 August 2021.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|                | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                                 | Security   |
|----------------|------------------------|------------------------|--|--|
| Term Loan - 13 | -                      | 4.55                   | Repayable in 36 monthly installments from 7 August 2021.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 14 | -                      | 1.90                   | Repayable in 36 monthly installments from 7 August 2021.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 15 | -                      | 2.13                   | Repayable in 36 monthly installments from 7 January 2022.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 16 | -                      | 8.53                   | Repayable in 36 monthly installments from 7 January 2022.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 17 | -                      | 3.55                   | Repayable in 36 monthly installments from 7 January 2022.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 18 | 5.71                   | 27.94                  | Repayable in 18 Quarterly installments from 30 December 2021.  | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 19 | 33.42                  | 55.64                  | Repayable in 18 Quarterly installments from 24 September 2022. | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 20 | -                      | 20.00                  | Repayable in 10 Quarterly installments from 14 December 2022.  | Exclusive charge by way of hypothecation of on standard receivables of the borrower  |
| Term Loan - 21 | -                      | 8.30                   | Repayable in 12 Quarterly installments from 16 December 2021.  | Exclusive charge by way of Hypothecation of book debt/receivables arising out of bank financial assets of the borrower.  |
| Term Loan - 22 | -                      | 5.00                   | Repayable in 16 Quarterly installments from 26 June 2021.      | Exclusive charge by way of hypothecation on book debts under standard assets portfolio of the borrower eligible for Bank finance.  |
| Term Loan - 23 | -                      | 21.53                  | Repayable in 18 Quarterly installments from 31 December 2020.  | Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.  |
| Term Loan - 24 | 21.05                  | 42.09                  | Repayable in 19 Quarterly installments from 30 September 2021. | Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.  |
| Term Loan - 25 | 104.99                 | 164.93                 | Repayable in 20 Quarterly installments from 31 March 2022.     | Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.  |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|                | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                                 | Security   |
|----------------|------------------------|------------------------|--|--|
| Term Loan - 26 | 23.08                  | 53.85                  | Repayable in 13 Quarterly installments from 29 December 2022.  | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 27 | 67.56                  | 97.50                  | Repayable in 20 Quarterly installments from 30 September 2022. | Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.   |
| Term Loan - 28 | 66.67                  | 133.33                 | Repayable in 12 Quarterly installments from 30 June 2023.      | Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.             |
| Term Loan - 29 | 8.27                   | 24.96                  | Repayable in 36 monthly installments from 30 October 2022.     | Exclusive charge on the specific standard book debts/loan receivables of company.  |
| Term Loan - 30 | 4.99                   | 15.00                  | Repayable in 12 Quarterly installments from 23 December 2022.  | Exclusive first charge by way of hypothecation of receivables created out of bank finance.   |
| Term Loan - 31 | 27.27                  | 54.55                  | Repayable in 33 monthly installments from 31 July 2023.        | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 32 | 4.37                   | 19.07                  | Repayable in 36 monthly installments from 7 June 2022.         | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 33 | 18.15                  | 51.08                  | Repayable in 36 monthly installments from 7 October 2022.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 34 | 18.06                  | 34.72                  | Repayable in 36 monthly installments from 7 May 2023.          | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 35 | 37.50                  | 62.50                  | Repayable in 16 Quarterly installments from 31 December 2022.  | Secured by exclusive charge on the book debt and receivables of the company  |
| Term Loan - 36 | 82.50                  | 112.50                 | Repayable in 20 Quarterly installments from 29 March 2023.     | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 37 | 43.75                  | 68.75                  | Repayable in 16 Quarterly installments from 31 March 2023.     | Secured by exclusive charge on the book debt and receivables of the company  |
| Term Loan - 38 | 90.00                  | 120.00                 | Repayable in 20 Quarterly installments from 31 May 2023.       | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 39 | 8.29                   | 41.64                  | Repayable in 12 Quarterly installments from 29 September 2022. | First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.  |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                                  | Security   |
|---|------------------------|------------------------|---|--|
| Term Loan - 40<br>(refer note below)  | 221.21                 | 300.33                 | Repayable in 20 Quarterly installments from 31 January 2023.    | Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.   |
| Note : Out of the Above ₹ 221.21 crore outstanding as on 31 March 2025, ₹ 3.29 crore is in Indian Rupees and remaining amount of ₹ 217.92 crore is in foreign currency. |                        |                        |   |  |
| Term Loan - 41  | 13.00                  | 25.00                  | Repayable in 30 monthly installments from 6 November 2023.      | Exclusive charge by way of hypothecation of the specific receivables/book debt of the company  |
| Term Loan - 42  | 2.29                   | 16.00                  | Repayable in 36 monthly installments from 29 July 2022.         | Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed .  |
| Term Loan - 43  | 5.00                   | 11.66                  | Repayable in 12 Quarterly installments from 31 March 2023.      | Secured by exclusive charge on the book debt and receivables of the company.   |
| Term Loan - 44  | 4.17                   | 14.17                  | Repayable in 36 monthly installments from 25 September 2022.    | Secured by first and exclusive charge on Book Debts/ Loan assets of the Company.   |
| Term Loan - 45  | 80.77                  | 126.92                 | Repayable in 13 Quarterly installments from 20 December 2023    | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 46  | 15.38                  | 23.08                  | Repayable in 13 Quarterly installments from 16 March 2024 .     | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 47  | 120.06                 | 170.00                 | Repayable in 20 Quarterly installments from 30 September 2023.  | Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 48  | 9.86                   | 18.10                  | Repayable in 36 monthly installments from 01 June 2023          | First and Exclusive charge by Hypothecation of Book Debts  |
| Term Loan - 49  | 70.03                  | 89.97                  | Repayable in 20 Quarterly installments from 31 Decemmbber 2023. | Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the company out of the proposed term loan to the Company.                                   |
| Term Loan - 50  | 14.55                  | 22.91                  | Repayable in 12 Quarterly Installments from 28 March, 2024      | Exclusive charge on book debts by way of hypothecation on specific standard receivables of the company   |
| Term Loan - 51  | 33.31                  | 50.00                  | Repayable in 36 monthly installments from 28 April 2024.        | Exclusive charge on the specific standard book debts/loan receivables of company.  |
| Term Loan - 52  | 30.56                  | 44.00                  | Repayable in 36 monthly installments from 7 May 2024.           | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 53  | 54.00                  | 84.86                  | Repayable in 36 monthly installments from 7 February 2024.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 54  | 48.57                  | 82.86                  | Repayable in 36 monthly installments from 7 October 2023.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |



## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                                 | Security   |
|---|------------------------|------------------------|--|--|
| Term Loan - 55  | 105.00                 | 135.00                 | Repayable in 20 Quarterly installments from 30 November 2023   | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 56  | 52.50                  | 67.50                  | Repayable in 20 Quarterly installments from 28 December 2023   | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 57  | 56.25                  | 71.25                  | Repayable in 20 Quarterly installments from 05 February 2024   | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 58  | 20.83                  | 37.50                  | Repayable in 12 Quarterly installments from 30 September 2023. | First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.  |
| Term Loan - 59  | 25.00                  | 41.67                  | Repayable in 12 Quarterly Installments from 31 October 2023    | Hypothecation on the Specific unencumbered secured standard loan receivables and book debts of the company arising from loans and advances.  |
| Term Loan - 60  | 41.67                  | 75.00                  | Repayable in 36 monthly installments from 30 July 2023.        | Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed .  |
| Term Loan - 61<br>(refer note below)  | 351.82                 | 451.52                 | Repayable in 20 Quarterly installments from 25 December 2023.  | Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.   |
| Note : Out of the Above ₹ 351.82 crore outstanding as on 31 March 2025, ₹ 1.30 crore is in Indian Rupees and remaining amount of ₹ 350.52 crore is in foreign currency. |                        |                        |  |  |
| Term Loan - 62  | 68.70                  | 100.00                 | Repayable in 36 monthly installments from 30 April 2024.       | Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed .  |
| Term Loan - 63  | 50.00                  | 83.30                  | Repayable in 12 Quarterly installments from 31 December 2023.  | Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.  |
| Term Loan - 64  | 137.36                 | 187.50                 | Repayable in 16 Quarterly Installments from 31 march, 2024     | Exclusive First charge by way of hypothecation over speicfic Standard receivables.   |
| Term Loan - 65  | 84.62                  | -                      | Repayable in 13 Quarterly installments from 31 December 2024   | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|                | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                                | Security   |
|----------------|------------------------|------------------------|---|--|
| Term Loan - 66 | 21.15                  | -                      | Repayable in 13 Quarterly installments from 31 December 2024  | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 67 | 64.62                  | -                      | Repayable in 13 Quarterly installments from 31 March 2025     | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 68 | 100.00                 | -                      | Repayable in 12 Quarterly installments from 01 May 2025       | First Exclusive hypothecation charge on book debts created out of Bank Loan.   |
| Term Loan - 69 | 25.00                  | -                      | Repayable in 12 Quarterly installments from 01 June 2025      | First Exclusive hypothecation charge on book debts created out of Bank Loan.   |
| Term Loan - 70 | 183.33                 | -                      | Repayable in 12 Quarterly installments from 31 March 2025     | Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.             |
| Term Loan - 71 | 180.00                 | -                      | Repayable in 20 Quarterly installments from 30 December 2024  | Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.   |
| Term Loan - 72 | 169.73                 | -                      | Repayable in 20 Quarterly installments from 30 September 2024 | Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the company out of the proposed term loan to the Company.                                     |
| Term Loan - 73 | 32.70                  | -                      | Repayable in 11 Quarterly installments from 29 December 2024  | Exclusive charge on book debts by way of hypothecation on specific standard receivables of the company   |
| Term Loan - 74 | 98.48                  | -                      | Repayable in 33 monthly installments from 25 September 2024   | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 75 | 37.50                  | -                      | Repayable in 8 quarterly installments from 28 September 2024  | Exclusive charge by way of hypothecation of on standard receivables of the Borrower  |
| Term Loan - 76 | 135.00                 | -                      | Repayable in 20 Quarterly installments from 29 December 2024  | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 77 | 47.50                  | -                      | Repayable in 20 Quarterly installments from 12 March 2025     | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 78 | 75.00                  | -                      | Repayable in 12 Quarterly installments from 29 September 2024 | First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.  |
| Term Loan - 79 | 100.00                 | -                      | Repayable in 12 Quarterly installments from 30 June 2025      | Exclusive Charge by way of hypothecation of the standard book debt ceated out of the bank financed to the company.   |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                                | Security  |
|--|------------------------|------------------------|---|---|
| Term Loan - 80   | 60.00                  | -                      | Repayable in 12 Quarterly installments from 27 June 2025      | Exclusive charge by way of hypothecation on standard loan receivables of the Borrower   |
| Term Loan - 81<br>(refer note below)   | 117.47                 | -                      | Repayable in 20 Quarterly installments from 25 March 2025     | Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.    |
| Note : Out of the Above ₹ 117.47 crore outstanding as on 31 March 2025, ₹ 0.01 crore is in Indian Rupees and remaining amount of ₹ 117.46 crore is in foreign currency.  |                        |                        |   |   |
| Term Loan - 82<br>(refer note below)   | 273.86                 | -                      | Repayable in 36 Quarterly installments from 31 January 2025   | Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.    |
| Note : Out of the Above ₹ 273.86 crore outstanding as on 31 March 2025, ₹ 200.01 crore is in Indian Rupees and remaining amount of ₹ 73.85 crore is in foreign currency. |                        |                        |   |   |
| Term Loan - 83   | 45.83                  | -                      | Repayable in 36 monthly installments from 30 April 2024.      | Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed . |
| Term Loan - 84   | 162.49                 | -                      | Repayable in 16 Quarterly Installments from 30 September 2024 | Exclusive First charge by way of hypothecation over specific Standard receivables.  |
| Term Loan - 85   | 47.22                  | -                      | Repayable in 36 monthly installments from 17 February 2025    | Exclusive charge on specific standard book debts and receivables which are financed/to be financed by the company.                                  |
| <b>Total term loans from banks</b>   | <b>4,450.38</b>        | <b>3,902.00</b>        |   |   |

### Note (i):

Interest rate ranges from 6.13% p.a. to 10.35% p.a. as at 31 March 2025.

Interest rate ranges from 6.76% p.a. to 10.40% p.a. as at 31 March 2024.

(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                              | Security   |
|---|------------------------|------------------------|---|--|
| <b>Term loans from others (Refer note ii)</b> |                        |                        |   |  |
| Term Loans from a Financial Institution - 1   | 25.00                  | 25.00                  | Bullet Repayment on 17 August 2026.                         | N.A.   |
| Term Loans from a Financial Institution - 2   | -                      | 8.33                   | Repayable in 36 monthly installments from 31 October 2021.  | Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.   |
| Term Loans from a Financial Institution - 3   | 6.67                   | 20.00                  | Repayable in 12 Quarterly installments from 5 October 2022. | Secured by exclusive charge on the book debt and receivables of the company  |
| Term Loans from a Financial Institution - 4   | 12.42                  | 37.25                  | Repayable in 36 monthly installments from 5 October 2022.   | Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility. |

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for the year ended 31 March 2025

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                              | Security  |
|--|------------------------|------------------------|---|---|
| Term Loans from a Financial Institution - 5  | 18.15                  | 36.35                  | Repayable in 11 Quarterly installments from 10 July 2023.   | Secured by Exclusive first charge by way of hypothecation of book debts and receivables charged exclusive for the loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi. |
| Term Loans from a Financial Institution - 6  | 40.00                  | 80.00                  | Repayable in 20 Quarterly installments from 30 June 2021.   | Exclusive charge by way of hypothecation of the specific receivables/book debts. Liquid collateral of 10% of the sanctioned amount.   |
| Term Loans from a Financial Institution - 7  | 15.00                  | 75.00                  | Repayable in 30 monthly installments from 10 January 2023.  | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                       |
| Term Loans from a Financial Institution - 8  | 22.30                  | 75.70                  | Repayable in 31 monthly installments from 10 February 2023. | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                       |
| Term Loans from a Financial Institution - 9  | 18.76                  | 53.53                  | Repayable in 36 monthly installments from 10 October 2022.  | Secured by hypothecation of specific book debts created out of the loan availed.  |
| Term Loans from a Financial Institution - 10 | 9.37                   | 21.88                  | Repayable in 8 Quarterly installments from 31 March 2024    | Secured by exclusive charge on the book debt and receivables of the company.  |
| Term Loans from a Financial Institution - 11 | 40.00                  | 66.67                  | Repayable in 36 monthly installments from 5 October 2023.   | Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility.    |
| Term Loans from a Financial Institution - 12 | 175.00                 | 175.00                 | Bullet Repayment on 11 December 2026.                       | Secured by Exclusive first charge by way of hypothecation of book debts and receivables charged exclusive for the loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi. |
| Term Loans from a Financial Institution - 13 | 43.62                  | 72.72                  | Repayable in 11 quarterly installments from 01 April, 2024  | First and exclusive charge by way of Hypothecation on standard book debts   |
| Term Loans from a Financial Institution - 14 | 36.19                  | 52.00                  | Repayable in 33 Monthly installments from 31 May 2024       | First and exclusive charge by way of Hypothecation on standard book debts   |
| Term Loans from a Financial Institution - 15 | 29.43                  | 45.09                  | Repayable in 36 Monthly installments from 05 December 2023  | First and exclusive charge by way of Hypothecation over the standard loan receivables   |
| Term Loans from a Financial Institution - 16 | 49.63                  | 79.51                  | Repayable in 33 monthly installments from 10 March 2024.    | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                       |
| Term Loans from a Financial Institution - 17 | 70.60                  | 100.00                 | Repayable in 33 monthly installments from 10 June 2024.     | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                       |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment                              | Security   |
|--|------------------------|------------------------|---|--|
| Term Loans from a Financial Institution - 18 | 83.30                  | 118.00                 | Repayable in 33 monthly installments from 10 June 2024.     | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                    |
| Term Loans from a Financial Institution - 19 | 43.06                  | -                      | Repayable in 36 monthly installments from 5 November 2024.  | Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility. |
| Term Loans from a Financial Institution - 20 | 44.44                  | -                      | Repayable in 36 monthly installments from 5 December 2024.  | Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility. |
| Term Loans from a Financial Institution - 21 | 250.00                 | -                      | Repayable in 11 quarterly installments from 30 June 2025    | Exclusive charge by way of hypothecation of the specific receivables/book debts.   |
| Term Loans from a Financial Institution - 22 | 100.00                 | -                      | Repayable in 31 monthly installments from 10 September 2025 | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loans from a Financial Institution - 23 | 100.00                 | -                      | Repayable in 36 monthly installments from 5 May 2025        | First and exclusive charge by way of Hypothecation over the standard loan receivables  |
| <b>Total term loans from others</b>          | <b>1,232.93</b>        | <b>1,142.02</b>        |   |  |

**Note (ii):**

Interest rate ranges from 7.50% p.a. to 12.00% p.a. as at 31 March 2025.

Interest rate ranges from 7.50% p.a. to 11.90% p.a. as at 31 March 2024.

### 16 SUBORDINATED LIABILITIES (AT AMORTISED COST)

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Unsecured debentures (refer note 16.1) | 310.00                 | 310.00                 |
| Less: Unamortised borrowing costs      | (6.35)                 | (7.89)                 |
| <b>Total</b>                           | <b>303.65</b>          | <b>302.11</b>          |
| Subordinated liabilities in India      | 303.65                 | 302.11                 |
| Subordinated liabilities outside India | -                      | -                      |
| <b>Total</b>                           | <b>303.65</b>          | <b>302.11</b>          |



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 16.1 Details of terms of repayment in respect of subordinated liabilities:

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment   | Security |
|--|------------------------|------------------------|--|----------|
| <b>Subordinated liabilities</b>  |                        |                        |  |          |
| 50, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 100 lakhs each | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet<br>Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.     |
| 500, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 10 lakhs each                             | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet<br>Payment at the end of the tenor<br>Tenor : 6 years              | N.A.     |
| 250, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 10 lakhs each                             | 25.00                  | 25.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet<br>Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.     |
| 3500, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 1 lakhs each                             | 35.00                  | 35.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet<br>Payment at the end of the tenor<br>Tenor : 6 years              | N.A.     |
| 5000, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet<br>Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.     |
| 5000, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet<br>Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.     |
| 5000, 10.75% rated, listed, subordinated, unsecured, redeemable, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet<br>Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.     |
| <b>Total subordinated liabilities</b>  | <b>310.00</b>          | <b>310.00</b>          |  |          |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 17 OTHER FINANCIAL LIABILITIES

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Interest accrued but not due on borrowings                          | 20.59                  | 31.87                  |
| Dues to the assignees towards collections from assigned receivables | 244.83                 | 178.97                 |
| Advances received against loan agreements                           | -                      | 2.10                   |
| Unpaid dividend on equity shares (Refer note below)                 | 0.03                   | 0.02                   |
| Dealer advances   | 7.60                   | 7.12                   |
| Lease liability (Refer note 44)                                     | 3.34                   | 2.99                   |
| Liabilities for expenses  | 1.47                   | 8.13                   |
| Derivative financial instruments                                    | 5.11                   | -                      |
| Other payable   | 26.88                  | 22.05                  |
| <b>Total other financial liabilities</b>                            | <b>309.85</b>          | <b>253.25</b>          |

**Note :**

There are no amounts that are due and remain unpaid to Investor Education and Protection Fund as at the close of the year.

## 18 PROVISIONS

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Provision for employee benefits (Refer note 40)</b> |                        |                        |
| Compensated absences                                   | 0.27                   | 0.27                   |
| Provision for unspent CSR liability                    | 8.93                   | 9.82                   |
| <b>Total provisions</b>                                | <b>9.20</b>            | <b>10.09</b>           |

## 19 OTHER NON-FINANCIAL LIABILITIES

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Statutory remittances                        | 4.50                   | 4.63                   |
| Financial guarantee liability                | -                      | *                      |
| Income received in advance                   | 1.54                   | 1.81                   |
| <b>Total other non-financial liabilities</b> | <b>6.04</b>            | <b>6.44</b>            |

\* Represents amount less than ₹ 50,000

## 20 EQUITY SHARE CAPITAL

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Authorized shares:   |                        |                        |
| 20,00,00,000 Equity Shares of ₹ 10 each                        | 200.00                 | 200.00                 |
| (As at 31 March 2024: 20,00,00,000 Equity Shares of ₹ 10 each) |                        |                        |
|  | <b>200.00</b>          | <b>200.00</b>          |
| Issued, subscribed and fully paid-up shares:                   |                        |                        |
| 18,14,53,377 Equity Shares of ₹ 10 each fully paid-up          | 181.45                 | 163.99                 |
| (As at 31 March 2024: 16,39,86,129 Equity Shares of ₹ 10 each) |                        |                        |
|  | <b>181.45</b>          | <b>163.99</b>          |

**Note :**

- During the Previous year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Authorized Share Capital of the Company comprising of ₹ 112,00,00,000/- (Rupees One Hundred and Twelve

# Notes Forming Part of the Standalone Financial Statements

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Crores Only) divided into 6,40,00,000 (Six Crores and Forty Lakh) Equity Shares of ₹10 (Rupees Ten Only) each, 400 (Four Hundred) - 9.75% Compulsorily Convertible Cumulative Preference Shares of ₹1,00,000 (Rupees One Lakh Only) each, 2,20,00,000 (Two Crore Twenty Lakh) 0.01% Compulsorily Convertible Cumulative Preference Shares of ₹10 (Rupees Ten Only) each and 2,20,00,000 (Two Crore Twenty Lakh) - 13.31% Compulsorily Convertible Cumulative Preference Shares of ₹10 (Rupees Ten Only) each was reclassified into ₹ 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 11,20,00,000 (Eleven Crores and Twenty Lakh) Equity Shares of ₹10 (Rupees Ten Only) each.

- During the Previous year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Authorised share capital of the Company has been increased from ₹ 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 11,20,00,000 (Eleven Crores and Twenty Lakh) Equity Shares of ₹ 10 (Rupees Ten Only) each to ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹10 (Rupees Ten Only) each.
- The Company, during the year, has allotted 1,74,67,248 no. of equity shares of face value of ₹ 10 each, at the issue price of ₹ 286.25 per Equity Share, i.e., at a premium of ₹ 276.25 per Equity Share (which includes a discount of ₹ 15.06 per Equity Share (4.99% of the floor price, as determined in terms of the SEBI ICDR Regulations) to the floor price), aggregating to approximately ₹ 500 Crores, pursuant to Qualified Institutions Placement as on 21 June 2024.

## 20.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

|   | As at 31 March 2025 |               | As at 31 March 2024 |               |
|---|---------------------|---------------|---------------------|---------------|
|   | No. of Shares       | (₹ in Crores) | No. of Shares       | (₹ in Crores) |
| <b>Equity Shares</b>                            |                     |               |                     |               |
| Outstanding at the beginning of the year        | 16,39,86,129        | 163.99        | 5,46,62,043         | 54.66         |
| Changes in equity share capital during the year | 1,74,67,248         | 17.46         | 10,93,24,086        | 109.33        |
| <b>Outstanding at the end of the year</b>       | <b>18,14,53,377</b> | <b>181.45</b> | <b>16,39,86,129</b> | <b>163.99</b> |

## 20.2 Details of shares held by each shareholder holding more than 5% shares:

|  | As at 31 March 2025   |                                   | As at 31 March 2024   |                                   |
|--|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|  | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| <b>Equity shares</b>   |                       |                                   |                       |                                   |
| Shweta Kamlesh Gandhi  | 4,90,15,350           | 27.01%                            | 4,90,15,350           | 29.89%                            |
| Mukesh C. Gandhi (Refer note below)                                | 4,84,70,442           | 26.71%                            | 4,84,70,442           | 29.56%                            |
| Kamlesh C. Gandhi  | 1,90,21,524           | 10.48%                            | 1,90,21,524           | 11.60%                            |
| Business Excellence Trust III - India Business Excellence Fund III | 1,21,33,737           | 6.69%                             | 1,21,33,737           | 7.40%                             |
| Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund      | 95,96,440             | 5.29%                             | *                     | *                                 |

\* Holding less than 5% equity shares

Note: Mr. Mukesh C. Gandhi has passed away on 19 January 2021.

## 20.3 Details of bonus shares issued during the five years immediately preceding the balance sheet date:

10,93,24,086 equity shares of ₹ 10 each fully paid-up were allotted as bonus shares by capitalisation of general reserve and balance from the statement of profit and loss during the year ended 31 March 2024.

## 20.4 Terms / rights attached to equity shares

The Company has one 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 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. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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## 20.5 Details of shares held by promoters (including promoter group) of the Company:

| Promoter and promoter group name    | Shares held by promoters at<br>31 March 2025 |                   | Shares held by promoters at<br>31 March 2024 |                   | % Change during<br>the current year<br>(24-25) |
|-------------------------------------|--|-------------------|--|-------------------|--|
|                                     | No. of Shares                                | % of total shares | No. of Shares                                | % of total shares |  |
| <b>Equity shares</b>                |  |                   |  |                   |  |
| Shweta Kamlesh Gandhi               | 4,90,15,350                                  | 27.01%            | 4,90,15,350                                  | 29.89%            | 0.00%  |
| Mukesh C. Gandhi (Refer note below) | 4,84,70,442                                  | 26.71%            | 4,84,70,442                                  | 29.56%            | 0.00%  |
| Kamlesh C. Gandhi                   | 1,90,21,524                                  | 10.48%            | 1,90,21,524                                  | 11.60%            | 0.00%  |
| Prarthana Marketing Private Limited | 39,52,671                                    | 2.18%             | 39,52,671                                    | 2.41%             | 0.00%  |
| Anamaya Capital LLP                 | 2,99,982                                     | 0.17%             | 2,99,982                                     | 0.18%             | 0.00%  |
| Dhvanil K. Gandhi                   | 1,05,831                                     | 0.06%             | 1,05,831                                     | 0.06%             | 0.00%  |
| Dhriti K. Gandhi                    | 36,162                                       | 0.02%             | 36,162                                       | 0.02%             | 0.00%  |

Note: Mr. Mukesh C. Gandhi has passed away on 19 January 2021.

## 21 OTHER EQUITY (REFER NOTE 21.1)

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Reserve u/s. 45-IC of RBI Act, 1934</b>                                  |                        |                        |
| Outstanding at the beginning of the year                                    | 301.65                 | 252.10                 |
| Additions during the year   | 61.18                  | 49.55                  |
| Outstanding at the end of the year  | <b>362.83</b>          | <b>301.65</b>          |
| <b>Securities premium</b>   |                        |                        |
| Outstanding at the beginning of the year                                    | 317.55                 | 426.87                 |
| Additions during the year   | 482.53                 | -                      |
| Utilisation during the year   | (15.94)                | (109.32)               |
| Outstanding at the end of the year  | <b>784.14</b>          | <b>317.55</b>          |
| <b>Retained earnings</b>  |                        |                        |
| Outstanding at the beginning of the year                                    | 845.91                 | 674.61                 |
| Profit for the year   | 305.93                 | 247.75                 |
| Item of other comprehensive income recognised directly in retained earnings |                        |                        |
| On defined benefit plan   | (0.55)                 | (0.39)                 |
|   | <b>1,151.29</b>        | <b>921.97</b>          |
| <b>Appropriations:</b>  |                        |                        |
| Transfer to reserve u/s. 45-IC of RBI Act, 1934                             | (61.18)                | (49.55)                |
| Final dividend on equity shares (Refer note 21.2)                           | (9.24)                 | (10.11)                |
| Interim dividend on equity shares (Refer note 21.2)                         | (18.14)                | (16.40)                |
| <b>Total appropriations</b>   | <b>(88.56)</b>         | <b>(76.06)</b>         |
| <b>Retained earnings</b>  | <b>1,062.73</b>        | <b>845.91</b>          |
| <b>Other comprehensive income</b>   |                        |                        |
| Outstanding at the beginning of the year                                    | 139.86                 | 97.49                  |
| Loans and advances fair valued through other comprehensive Income           | 19.82                  | 21.57                  |
| Impairment on loans and advances through OCI                                | 39.96                  | 26.23                  |
| Income tax relating to items that will be reclassified to profit or loss    | (4.99)                 | (5.43)                 |
| Other comprehensive income for the year, net of tax                         | <b>194.65</b>          | <b>139.86</b>          |
| <b>Total other equity</b>   | <b>2,404.35</b>        | <b>1,604.97</b>        |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 21.1 Nature and purpose of reserve

### 1 Reserve u/s. 45-IC of the Reserve Bank of India Act, 1934 (the "RBI Act, 1934")

Reserve u/s. 45-IC of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the NBFC except for the purpose as may be specified by RBI.

### 2 Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Act.

### 3 Retained earnings

Retained earnings is the accumulated available profit of the Company carried forward from earlier years. These reserve are free reserves which can be utilised for any purpose as may be required.

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure, which comprises of:

- i) actuarial gains and losses;
- ii) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

### 4 Other comprehensive income

#### On equity investments

The Company has elected to recognise changes in the fair value of investments in equity securities (other than investment in subsidiary) in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

#### On loans

The Company has elected to recognise changes in the fair value of loans and advances in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity. The Company transfers amounts from this reserve to the statement of profit and loss when the loans and advances are sold. Further, impairment loss allowances on the loans are recognised in OCI.

## 21.2 Equity dividend paid and proposed

(₹ In Crores)

|  | 31 March 2025 | 31 March 2024 |
|--|---------------|---------------|
| Declared and paid during the year  |               |               |
| Dividends on equity shares:  |               |               |
| Final dividend for 31 March 2024: ₹ 0.51 per share (31 March 2023: ₹ 1.85 per share) | 9.24          | 10.11         |
| Interim dividend for 31 March 2025: ₹ 1 per share (31 March 2024 : ₹ 3 per share)    | 18.14         | 16.40         |
| <b>Total dividends paid</b>  | <b>27.38</b>  | <b>26.51</b>  |

(₹ In Crores)

|  | 31 March 2025 | 31 March 2024 |
|--|---------------|---------------|
| Proposed for approval at Annual General Meeting (not recognised as a liability)      |               |               |
| Dividend on equity shares:   |               |               |
| Final dividend for 31 March 2025: ₹ 0.70 per share (31 March 2024: ₹ 0.51 per share) | 12.70         | 8.36          |



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 22 INTEREST INCOME

(₹ In Crores)

|                                  | Year ended 31 March 2025              |  |   |                 | Year ended 31 March 2024              |  |   |                 |
|----------------------------------|---------------------------------------|--|---|-----------------|---------------------------------------|--|---|-----------------|
|                                  | On Financial assets measured at FVOCI | On Financial assets measured at Amortised Cost | On Financial Assets classified at fair value through profit or loss | Total           | On Financial assets measured at FVOCI | On Financial assets measured at Amortised Cost | On Financial Assets classified at fair value through profit or loss | Total           |
| Interest on loans                | 1,106.04                              | 12.49  | -   | 1,118.53        | 872.93                                | 11.92  | -   | 884.85          |
| Interest income from investments | -                                     | 95.38  | -   | 95.38           | -                                     | 76.80  | -   | 76.80           |
| Interest on deposits with banks  | -                                     | 69.08  | -   | 69.08           | -                                     | 55.08  | -   | 55.08           |
| Other interest income            | 6.65                                  | -  | -   | 6.65            | 5.55                                  | -  | -   | 5.55            |
| <b>Total</b>                     | <b>1,112.69</b>                       | <b>176.95</b>                                  | <b>-</b>  | <b>1,289.64</b> | <b>878.48</b>                         | <b>143.80</b>                                  | <b>-</b>  | <b>1,022.28</b> |

## 23 NET GAIN ON FAIR VALUE CHANGES

(₹ In Crores)

|  | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|--------------------------|--------------------------|
| Net gain on financial instruments at fair value through profit or loss - investments | 2.54                     | 12.57                    |
| Fair value changes:  |                          |                          |
| - Realised   | 1.81                     | 10.09                    |
| - Unrealised   | 0.73                     | 2.48                     |
| <b>Total</b>   | <b>2.54</b>              | <b>12.57</b>             |

## 24 OTHER INCOME

(₹ In Crores)

|  | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|--------------------------|--------------------------|
| Rental income  | 0.13                     | 0.10                     |
| Dividend income  | 1.26                     | 1.26                     |
| Net gain on sale of investments measured at amortized cost | 1.24                     | 4.84                     |
| Gain on derecognition of leased asset                      | 0.02                     | 0.02                     |
| Gain/(loss) on foreign currency transactions               | (0.48)                   | 0.06                     |
| Income from non-financing activity                         | 1.09                     | 1.14                     |
| <b>Total</b>   | <b>3.26</b>              | <b>7.42</b>              |

## 25 FINANCE COST (ON FINANCIAL LIABILITIES MEASURED AT AMORTISED COST)

(₹ In Crores)

|  | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|--------------------------|--------------------------|
| Interest on debt securities                      | 86.36                    | 52.29                    |
| Interest on borrowings                           | 565.22                   | 502.38                   |
| Interest on subordinated liabilities             | 33.29                    | 29.55                    |
| Other interest expense                           | 0.13                     | 0.01                     |
| Other borrowing cost                             | 37.08                    | 29.74                    |
| Lease liability interest obligation (IND AS 116) | 0.30                     | 0.19                     |
| <b>Total</b>                                     | <b>722.38</b>            | <b>614.16</b>            |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 26 IMPAIRMENT ON FINANCIAL ASSETS

|  | (₹ In Crores)               |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| <b>Loans</b>   |                             |                             |
| - Expected credit loss (On financial instruments measured at FVOCI)          | 39.96                       | 26.23                       |
| - Expected credit loss (On financial instruments measured at amortised cost) | 0.32                        | (0.25)                      |
| - Write off (net of recoveries)  | 54.61                       | 48.13                       |
| - Loss on repossessed assets   | 30.40                       | 15.50                       |
| <b>Investments</b>   |                             |                             |
| - Expected credit loss (On financial instruments measured at amortised cost) | 0.83                        | (0.06)                      |
| <b>Total</b>   | <b>126.12</b>               | <b>89.55</b>                |

## 27 EMPLOYEE BENEFITS EXPENSE

|   | (₹ In Crores)               |                             |
|---|-----------------------------|-----------------------------|
|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Salaries and wages  | 108.48                      | 81.83                       |
| Contribution to provident fund and other funds (Refer note 40(a)) | 3.33                        | 2.46                        |
| Gratuity expense (Refer note 40(b))                               | 0.76                        | 0.65                        |
| Staff welfare expenses  | 2.27                        | 2.11                        |
| <b>Total</b>  | <b>114.84</b>               | <b>87.05</b>                |

## 28 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

|  | (₹ In Crores)               |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Depreciation on property, plant and equipment (Refer note 11(a)) | 3.35                        | 2.72                        |
| Amortisation of intangible assets (Refer note 11(b))             | 0.63                        | 0.52                        |
| Amortisation on Right-of-use asset (Refer note 44)               | 0.93                        | 0.57                        |
| <b>Total</b>   | <b>4.91</b>                 | <b>3.81</b>                 |

## 29 OTHER EXPENSES

|  | (₹ In Crores)               |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Rent (Refer note 44)                   | 4.62                        | 3.97                        |
| Rates and taxes                        | 0.26                        | 0.22                        |
| Stationery and printing                | 1.24                        | 1.28                        |
| Telephone                              | 1.05                        | 0.75                        |
| Electricity                            | 1.67                        | 1.35                        |
| Postage and courier                    | 1.60                        | 1.35                        |
| Insurance                              | 1.65                        | 1.15                        |
| Conveyance                             | 2.29                        | 1.75                        |
| Travelling                             | 4.35                        | 3.68                        |
| Repairs and maintenance :              |                             |                             |
| Building                               | 0.18                        | 0.31                        |
| Others                                 | 1.49                        | 0.99                        |
| Professional fees                      | 11.94                       | 9.35                        |
| Payment to auditors (Refer note below) | 0.49                        | 0.57                        |
| Directors' sitting fees                | 0.32                        | 0.37                        |
| Legal expenses                         | 6.38                        | 6.90                        |
| Bank charges                           | 7.29                        | 2.85                        |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Advertisement expenses                                      | 0.90                        | 1.63                        |
| Sales promotion expenses                                    | 1.86                        | 0.35                        |
| Recovery contract charges                                   | 0.86                        | 0.06                        |
| Corporate social responsibility expenditure (Refer note 33) | 5.33                        | 4.46                        |
| Credit guarantee fees                                       | 14.29                       | 6.76                        |
| Miscellaneous expenses                                      | 4.21                        | 4.39                        |
| <b>Total</b>  | <b>74.27</b>                | <b>54.49</b>                |

### Note: Payment to auditors

(₹ In Crores)

|                                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| As auditor:                         |                             |                             |
| Statutory audit                     | 0.21                        | 0.24                        |
| Limited review of quarterly results | 0.27                        | 0.31                        |
| Other services                      | 0.01                        | 0.02                        |
|                                     | <b>0.49</b>                 | <b>0.57</b>                 |

## 30 TAX EXPENSES

The components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:

(₹ In Crores)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Current tax  | 103.85                      | 80.89                       |
| Short / (Excess) provision for tax relating to prior years | 1.00                        | (0.17)                      |
| Deferred tax   | (0.35)                      | 2.95                        |
| <b>Total tax charge</b>                                    | <b>104.50</b>               | <b>83.67</b>                |
| Current tax  | 104.85                      | 80.72                       |
| Deferred tax   | (0.35)                      | 2.95                        |

### 30.1 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 31 March 2025 and 31 March 2024 is, as follows:

(₹ In Crores)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Accounting profit before tax                                       | 410.43                      | 331.42                      |
| Applicable tax rate  | 25.17%                      | 25.17%                      |
| Computed tax expense   | 103.30                      | 83.42                       |
| <b>Tax effect of :</b>   |                             |                             |
| <b>Exempted income</b>   | <b>(0.33)</b>               | <b>(0.32)</b>               |
| Non deductible items   | 1.36                        | 1.12                        |
| Short / (Excess) provision for tax relating to prior years         | 1.00                        | (0.17)                      |
| Others   | (0.83)                      | (0.38)                      |
| <b>Tax expenses recognised in the statement of profit and loss</b> | <b>104.50</b>               | <b>83.67</b>                |
| Effective tax rate   | 25.46%                      | 25.25%                      |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 30.2 Deferred tax

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| <b>Deferred tax asset / liability (net)</b>                            |                        |                        |
| The movement on the deferred tax account is as follows:                |                        |                        |
| At the start of the year DTA / (DTL) (net)                             | 9.97                   | 18.22                  |
| Credit / (charge) for loans and advances through OCI                   | (4.99)                 | (5.43)                 |
| Credit / (charge) for remeasurement of the defined benefit liabilities | 0.18                   | 0.13                   |
| Credit / (charge) to the statement of profit and loss                  | 0.35                   | (2.95)                 |
| <b>At the end of year DTA / (DTL) (net)</b>                            | <b>5.51</b>            | <b>9.97</b>            |

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

(₹ In Crores)

|   | As at<br>31 March 2024 | Statement of<br>profit and loss | OCI           | As at<br>31 March 2025 |
|---|------------------------|---------------------------------|---------------|------------------------|
| <b>Component of deferred tax asset / (liability)</b>  |                        |                                 |               |                        |
| Deferred tax asset / (liability) in relation to:  |                        |                                 |               |                        |
| Difference between written down value of fixed assets as per books of accounts and income tax | (0.63)                 | (0.19)                          | -             | (0.82)                 |
| Deferred tax on fair value of investments   | (0.64)                 | 1.04                            | -             | 0.40                   |
| Impact of fair value of assets  | 0.07                   | 0.00                            | (4.99)        | (4.92)                 |
| Income taxable on realised basis  | (12.63)                | (5.85)                          | -             | (18.48)                |
| Deferred tax on prepaid finance charges   | (9.27)                 | (3.49)                          | -             | (12.76)                |
| Impairment on financial assets  | 32.62                  | 10.35                           | -             | 42.97                  |
| Recognition of lease liability and right to use asset   | 0.04                   | 0.04                            | -             | 0.08                   |
| Expenses allowable on payment basis   | 0.41                   | (1.55)                          | 0.18          | (0.96)                 |
| <b>Total</b>  | <b>9.97</b>            | <b>0.35</b>                     | <b>(4.81)</b> | <b>5.51</b>            |

(₹ In Crores)

|   | As at<br>31 March 2023 | Statement of<br>profit and loss | OCI           | As at<br>31 March 2024 |
|---|------------------------|---------------------------------|---------------|------------------------|
| <b>Component of deferred tax asset / (liability)</b>  |                        |                                 |               |                        |
| Deferred tax asset / (liability) in relation to:  |                        |                                 |               |                        |
| Difference between written down value of fixed assets as per books of accounts and income tax | (0.51)                 | (0.12)                          | -             | (0.63)                 |
| Deferred tax on fair value of investments   | (0.02)                 | (0.62)                          | -             | (0.64)                 |
| Impact of fair value of assets  | 5.50                   | 0.00                            | (5.43)        | 0.07                   |
| Income taxable on realised basis  | (8.68)                 | (3.95)                          | -             | (12.63)                |
| Deferred tax on prepaid finance charges   | (4.09)                 | (5.18)                          | -             | (9.27)                 |
| Impairment on financial assets  | 26.10                  | 6.52                            | -             | 32.62                  |
| Recognition of lease liability and right to use asset   | 0.02                   | 0.02                            | -             | 0.04                   |
| Expenses allowable on payment basis   | (0.10)                 | 0.38                            | 0.13          | 0.41                   |
| <b>Total</b>  | <b>18.22</b>           | <b>(2.95)</b>                   | <b>(5.30)</b> | <b>9.97</b>            |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 30.3 Current tax liabilities

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Provision for tax [net of advance tax of ₹ 92.92 crores (31 March 2024: ₹ 76.59 crores)] | 10.93                  | 4.29                   |

## 30.4 Income tax assets

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Income tax assets [net of provision for tax] | 1.45                   | 2.52                   |

## 31 EARNINGS PER SHARE

### (A) Basic earnings per share

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Net profit for the year attributable to equity shareholders (basic) | 305.93                      | 247.75                      |
| Weighted average number of equity shares of ₹ 10 each               | 17,75,77,084                | 16,39,86,129                |
| Basic earnings per share of face value of ₹ 10 each (in ₹)          | 17.23                       | 15.11                       |

### (B) Diluted earnings per share

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Net profit for the year attributable to equity shareholders (diluted) | 305.93                      | 247.75                      |
| Weighted average number of equity shares of ₹ 10 each                 | 17,75,77,084                | 16,39,86,129                |
| Diluted earnings per share of face value of ₹ 10 each (in ₹)          | 17.23                       | 15.11                       |

## 32 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>(A) Contingent liabilities</b>  |                             |                             |
| I) In respect of GST demand where company has filed appeal.  | 0.73                        | 0.12                        |
| II) Guarantees given on behalf of subsidiary company: (Refer note i)                               |                             |                             |
| <b>To National Housing Bank ("NHB")</b>  |                             |                             |
| Amount of guarantees ₹ 5 crores (31 March 2024: ₹ 5 crores)  |                             |                             |
| Amount of loan outstanding   | 0.13                        | 0.46                        |
| <b>(B) Commitments</b>   |                             |                             |
| I) Estimated amount of contracts remaining to be executed on capital account and not provided for: |                             |                             |
| Property, plant & equipment and Capital work in progress   | 0.06                        | 0.12                        |
| II) Loan commitments for sanctioned but not disbursed amount                                       | 10.50                       | -                           |

### Notes:

- i) Guarantees have been given by the Company to NHB on behalf of the subsidiary company for the loan taken and accordingly, the same has been shown as contingent liability.



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 33 CORPORATE SOCIAL RESPONSIBILITY ("CSR") EXPENSES:

The average profit before tax of the Company for the last three financial years was ₹ 266.49 crores (F.Y.2023-24 ₹ 223.09 crores), basis which the Company was required to spend ₹ 5.33 crores towards CSR activities for the current financial year (31 March 2024: ₹ 4.46 crores).

### a) Amount spent during the year on:

| Particulars                             | 31 March 2025 |                          |       | 31 March 2024 |                          |       |
|---|---------------|--------------------------|-------|---------------|--------------------------|-------|
|   | Amount Spent  | Amount Unpaid/ provision | Total | Amount Spent  | Amount Unpaid/ provision | Total |
| Construction / acquisition of any asset | -             | -                        | -     | -             | -                        | -     |
| On purpose other than (i) above         | 2.80          | 2.53                     | 5.33  | 0.37          | 4.09                     | 4.46  |

b) The Company has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24.

### c) In case of Section 135(6): Details of on-going projects

| F.Y.    | Opening balance |                             | Amount required to be spent during the year | Amount spent during the year |                               | Closing Balance |                             |
|---------|-----------------|-----------------------------|---|------------------------------|-------------------------------|-----------------|-----------------------------|
|         | With Company    | In Separate CSR Unspent A/c |   | From Company's bank A/c      | From Separate CSR Unspent A/c | With Company    | In Separate CSR Unspent A/c |
| 2024-25 | -               | 9.82                        | 5.33  | 2.80                         | 3.42                          | 2.53            | 6.40                        |
| 2023-24 | -               | 9.32                        | 4.46  | 0.37                         | 3.60                          | 4.09            | 5.72                        |
| 2022-23 | -               | 6.91                        | 4.26  | 0.28                         | 1.57                          | 3.98            | 5.34                        |
| 2021-22 | -               | 3.84                        | 4.41  | 0.42                         | 0.92                          | 3.99            | 2.92                        |
| 2020-21 | Nil             | N.A.                        | 4.18  | 0.34                         | -                             | 3.84            | -                           |

**Note:** Unspent CSR amount of ₹ 2.53 crores for FY 2024-25 was deposited in unspent CSR bank account on 28 April 2025.

(d) **Nature of CSR activities:** Promoting education, eradicating hunger, poverty & malnutrition, promoting health care and such other activities. For more details, refer annexure of Director's report on CSR.

## 34 SEGMENT REPORTING:

Operating segment are components of the Company whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Company is engaged primarily on the business of "Financing" only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Company are in India. All non-current assets of the Company are located in India. Accordingly, there are no separate reportable segments as per Ind AS 108 – "Operating segments".

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 35 RELATED PARTY DISCLOSURES:

(a) Related party disclosures as required by Ind AS 24 - Related Party Disclosures.

List of related parties and relationships:

| Sr. No. | Nature of relationship                                  |   |
|---------|---|---|
| 1       | Subsidiary  | MAS Rural Housing & Mortgage Finance Limited<br>MASFIN Insurance Broking Private Limited  |
| 2       | Key management personnel ("KMP")                        | Mr. Kamlesh C. Gandhi (Chairman and managing director)<br>Mrs. Darshana S. Pandya (Director and chief executive officer)<br>Mr. Dhvanil K. Gandhi (Whole Time Director) (appointed w.e.f 14 August 2024)<br>Mr. Vishal Vasu (Independent director)<br>Mr. Umesh Shah (Independent director)<br>Mr. Narayanan Sadanandan (Independent director)<br>Mrs. Daksha Shah (Independent director) (retired w.e.f 13 March 2025)<br>Dr. Barnali Chaklader (Independent woman director) (appointed w.e.f 04 March 2025) |
| 3       | Other related parties<br>(where there are transactions) | Anamaya Capital LLP<br>Prarthna Marketing Pvt. Ltd.<br>Mr. Kamlesh C. Gandhi (As Executor of will of Late Mr. Mukesh C. Gandhi, relative of KMP)<br>Mrs. Shweta K. Gandhi (relative of KMP)<br>Mr. Saumil D. Pandya (relative of KMP)<br>Ms. Dhriti K. Gandhi (relative of KMP)<br>Umesh Rajanikant Shah HUF (relative of KMP)<br>Pauravi Umesh Shah (relative of KMP)  |

Transactions with related parties are as follows:

(₹ In Crores)

| Particulars   | Year ended 31 March 2025 |                          |                       |       |
|---|--------------------------|--------------------------|-----------------------|-------|
|   | Subsidiary               | Key management personnel | Other related parties | Total |
| Rent income   | 0.13                     | -                        | -                     | 0.13  |
| Net recovery charges received                         | 0.03                     | -                        | -                     | 0.03  |
| Expenditure reimbursed                                | 0.02                     | 0.03                     | -                     | 0.05  |
| Remittances of collection received on behalf of       | 0.09                     | -                        | -                     | 0.09  |
| Cross Charges Payment for professional services       | 0.15                     | -                        | -                     | 0.15  |
| Remuneration (including bonus) (Net of Cross Charges) | -                        | 9.42                     | 1.00                  | 10.42 |
| Dividend received                                     | 1.26                     | -                        | -                     | 1.26  |
| Dividend paid   | -                        | 2.90                     | 15.37                 | 18.27 |
| Investment  | 15.00                    | -                        | -                     | 15.00 |
| Sitting fees  | -                        | 0.30                     | -                     | 0.30  |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

| Particulars   | Year ended 31 March 2024 |                          |                       |       |
|---|--------------------------|--------------------------|-----------------------|-------|
|   | Subsidiary               | Key management personnel | Other related parties | Total |
| Rent income   | 0.10                     | -                        | -                     | 0.10  |
| Net recovery charges received                         | 0.01                     | -                        | -                     | 0.01  |
| Expenditure reimbursed                                | 1.04                     | -                        | -                     | 1.04  |
| Remittances of collection received on behalf of       | -                        | -                        | -                     | -     |
| Cross Charges Payment for professional services       | 0.13                     | -                        | -                     | 0.13  |
| Remuneration (including bonus) (Net of Cross Charges) | -                        | 7.19                     | 1.22                  | 8.41  |
| Dividend received                                     | 1.26                     | -                        | -                     | 1.26  |
| Dividend paid   | -                        | 3.09                     | 16.48                 | 19.57 |
| Investment  | 15.00                    | -                        | -                     | 15.00 |
| Sitting fees  | -                        | 0.34                     | -                     | 0.34  |

Balances outstanding from related parties are as follows:

(₹ In Crores)

| Particulars            | As at 31 March 2025 |                          |                       |       |
|------------------------|---------------------|--------------------------|-----------------------|-------|
|                        | Subsidiary          | Key management personnel | Other related parties | Total |
| Bonus payable          | -                   | 0.48                     | 0.04                  | 0.52  |
| Investment             | 76.55               | -                        | -                     | 76.55 |
| Guarantees outstanding | 0.13                | -                        | -                     | 0.13  |

(₹ In Crores)

| Particulars            | As at 31 March 2024 |                          |                       |       |
|------------------------|---------------------|--------------------------|-----------------------|-------|
|                        | Subsidiary          | Key management personnel | Other related parties | Total |
| Bonus payable          | -                   | 0.39                     | 0.03                  | 0.42  |
| Investment             | 61.55               | -                        | -                     | 61.55 |
| Guarantees outstanding | 0.46                | -                        | -                     | 0.46  |

Financial guarantee commission income amounts to ₹ Nil during the year (31 March 2024: less than ₹ 50,000) on account of fair valuation of corporate financial guarantee given to bank on behalf of subsidiary.

All transactions with these related parties are priced on an arm's length basis. None of the balances are secured.

Key managerial personnel who are under the employment of the Company are entitled to post employment benefits and other employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements.

Compensation to key management personnel are as follows:

(₹ In Crores)

|                                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| Short-term employee benefits        | 9.42                        | 7.19                        |
| Post-employment benefits            | 0.03                        | 0.02                        |
| Other long term employment benefits | 0.01                        | 0.01                        |
|                                     | <b>9.46</b>                 | <b>7.22</b>                 |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

The remuneration of key management personnel are determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

### 36 OFFSETTING

Following table represents the recognised financial assets that are offset, or subject to enforceable master netting arrangements and other similar arrangements but not offset, as at 31 March 2025 and 31 March 2024. The column 'net amount' shows the impact of the Company's balance sheet if all the set-off rights were exercised.

| Particulars          | Effect of offsetting on the balance sheet |   |                                       | Related amount not offset       |            |
|----------------------|---|---|---------------------------------------|---------------------------------|------------|
|                      | Gross amounts                             | Gross amount offset in balance sheet (refer note) | Net amount presented in balance sheet | Financial instrument collateral | Net amount |
| <b>31 March 2025</b> |   |   |                                       |                                 |            |
| Loans and advances   | 8,613.86                                  | -   | 8,613.86                              | -                               | 8,613.86   |
| <b>31 March 2024</b> |   |   |                                       |                                 |            |
| Loans and advances   | 7,277.40                                  | 12.57   | 7,264.83                              | -                               | 7,264.83   |

**Note:**

31 March 2025 : Nil (31 March 2024: ₹ 12.57 crores) represents advances received against loan agreements.

### 37 EVENTS AFTER THE REPORTING PERIOD

Ind AS 10 'Events after the Reporting Period', requires an entity to evaluate information available after the balance sheet date to determine if such information constitutes an adjusting event, which would require an adjustment to the financial statements, or a non-adjusting event, which would only require disclosure. There have been no events after the reporting date that require disclosure in these financial statements.

### 38 REVENUE FROM CONTRACTS WITH CUSTOMERS

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to the statement of profit and loss:

|  | (₹ In Crores)               |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| <b>Type of income</b>                              |                             |                             |
| Fees and commission income                         | 81.92                       | 70.04                       |
| <b>Total revenue from contracts with customers</b> | <b>81.92</b>                | <b>70.04</b>                |
| <b>Geographical markets</b>                        |                             |                             |
| India  | 81.92                       | 70.04                       |
| Outside India                                      | -                           | -                           |
| <b>Total revenue from contracts with customers</b> | <b>81.92</b>                | <b>70.04</b>                |
| <b>Timing of revenue recognition</b>               |                             |                             |
| Services transferred at a point in time            | 81.92                       | 70.04                       |
| Services transferred over time                     | -                           | -                           |
| <b>Total revenue from contracts with customers</b> | <b>81.92</b>                | <b>70.04</b>                |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 39 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

|   | As at 31 March 2025 |                    |                  | As at 31 March 2024 |                    |                 |
|---|---------------------|--------------------|------------------|---------------------|--------------------|-----------------|
|   | Within<br>12 months | After<br>12 months | Total            | Within<br>12 months | After<br>12 months | Total           |
| (₹ In Crores)                                     |                     |                    |                  |                     |                    |                 |
| <b>ASSETS</b>                                     |                     |                    |                  |                     |                    |                 |
| <b>Financial assets</b>                           |                     |                    |                  |                     |                    |                 |
| Cash and cash equivalents                         | 437.97              | -                  | 437.97           | 178.02              | -                  | 178.02          |
| Bank balance other than cash and cash equivalents | 426.63              | 244.12             | 670.75           | 640.84              | 23.43              | 664.27          |
| Trade receivables                                 | 4.66                | -                  | 4.66             | 6.52                | -                  | 6.52            |
| Loans   | 5,038.58            | 3,575.28           | 8,613.86         | 4,387.81            | 2,877.02           | 7,264.83        |
| Investments                                       | 1,061.79            | 532.00             | 1,593.79         | 509.21              | 278.50             | 787.71          |
| Other financial assets                            | 138.86              | 23.90              | 162.76           | 54.59               | 21.21              | 75.80           |
| <b>Non-financial assets</b>                       |                     |                    |                  |                     |                    |                 |
| Income tax assets (net)                           | -                   | 1.45               | 1.45             | -                   | 2.52               | 2.52            |
| Deferred tax assets (net)                         | -                   | 5.51               | 5.51             | -                   | 9.97               | 9.97            |
| Property, plant and equipment                     | -                   | 18.91              | 18.91            | -                   | 18.63              | 18.63           |
| Capital work-in-progress                          | -                   | 91.48              | 91.48            | -                   | 69.80              | 69.80           |
| Right-of-use asset                                | 1.02                | 2.01               | 3.03             | 0.78                | 2.04               | 2.82            |
| Intangible assets under development               | -                   | 0.02               | 0.02             | -                   | 0.24               | 0.24            |
| Other intangible assets                           | -                   | 2.54               | 2.54             | -                   | 1.01               | 1.01            |
| Other non-financial assets                        | 57.76               | -                  | 57.76            | 27.06               | 0.04               | 27.10           |
| <b>Total assets</b>                               | <b>7,167.27</b>     | <b>4,497.22</b>    | <b>11,664.49</b> | <b>5,804.83</b>     | <b>3,304.41</b>    | <b>9,109.24</b> |

|   | As at 31 March 2025 |                    |                 | As at 31 March 2024 |                    |                 |
|---|---------------------|--------------------|-----------------|---------------------|--------------------|-----------------|
|   | Within<br>12 months | After<br>12 months | Total           | Within<br>12 months | After<br>12 months | Total           |
| (₹ In Crores)                           |                     |                    |                 |                     |                    |                 |
| <b>LIABILITIES</b>                      |                     |                    |                 |                     |                    |                 |
| <b>Financial liabilities</b>            |                     |                    |                 |                     |                    |                 |
| Trade payables                          | 32.67               | -                  | 32.67           | 15.74               | -                  | 15.74           |
| Other payables                          | 8.21                | -                  | 8.21            | 1.14                | -                  | 1.14            |
| Debt securities                         | 323.22              | 1,140.42           | 1,463.64        | 105.71              | 521.15             | 626.86          |
| Borrowings (other than debt securities) | 3,535.58            | 3398.92            | 6,934.50        | 3,065.32            | 3,055.04           | 6,120.36        |
| Subordinated liabilities                | -                   | 303.65             | 303.65          | -                   | 302.11             | 302.11          |
| Other financial liabilities             | 307.46              | 2.39               | 309.85          | 249.11              | 4.14               | 253.25          |
| <b>Non-financial liabilities</b>        |                     |                    |                 |                     |                    |                 |
| Current tax liabilities (net)           | 10.93               | -                  | 10.93           | 4.29                | -                  | 4.29            |
| Provisions                              | 2.98                | 6.22               | 9.20            | 9.88                | 0.21               | 10.09           |
| Other non-financial liabilities         | 6.04                | -                  | 6.04            | 6.44                | -                  | 6.44            |
| <b>Total liability</b>                  | <b>4,227.09</b>     | <b>4,851.60</b>    | <b>9,078.69</b> | <b>3,457.63</b>     | <b>3,882.65</b>    | <b>7,340.28</b> |
| <b>Net</b>                              | <b>2,940.18</b>     | <b>(354.38)</b>    | <b>2,585.80</b> | <b>2,347.21</b>     | <b>(578.24)</b>    | <b>1,768.96</b> |



## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 40 EMPLOYEE BENEFIT PLAN

Disclosure in respect of employee benefits under Ind AS 19 - Employee Benefits are as under:

#### (a) Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans. The Company's contribution to provident fund aggregating ₹ 2.98 crores (31 March 2024: ₹ 2.17 crores) and employee state insurance scheme aggregating ₹ 0.10 crores (31 March 2024: ₹ 0.11 crores) has been recognised in the statement of profit and loss under the head employee benefits expense.

#### (b) Defined benefit plan:

##### Gratuity

The Company operates a defined benefit plan (the "gratuity plan") covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as actuarial risk, investment risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

**Actuarial risk:** It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse salary growth experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**Investment risk:** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**Liquidity risk:** Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Company, there can be strain on the cash flows.

**Market risk:** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**Legislative risk:** Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

The status of gratuity plan as required under Ind AS 19 is as under:

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>i. Reconciliation of opening and closing balances of defined benefit obligation</b>                      |                        |                        |
| Present value of defined benefit obligations at the beginning of the year                                   | 5.36                   | 3.94                   |
| Current service cost  | 0.88                   | 0.71                   |
| Interest cost   | 0.34                   | 0.26                   |
| Benefits paid   | (0.16)                 | (0.13)                 |
| Re-measurement (or Actuarial) (gain) / loss arising from:   |                        |                        |
| Change in demographic assumptions   | (0.06)                 | (0.10)                 |
| Change in financial assumptions   | 0.15                   | 0.03                   |
| Experience adjustments  | 0.47                   | 0.65                   |
| <b>Present value of defined benefit obligations at the end of the year</b>                                  | <b>6.98</b>            | <b>5.36</b>            |
| <b>ii. Reconciliation of opening and closing balances of the fair value of plan assets</b>                  |                        |                        |
| Fair value of plan assets at the beginning of the year  | 6.59                   | 4.48                   |
| Interest income   | 0.46                   | 0.33                   |
| Return on plan assets excluding amounts included in interest income   | (0.17)                 | 0.06                   |
| Contributions by the Company  | 0.89                   | 1.85                   |
| Benefits paid   | (0.16)                 | (0.13)                 |
| <b>Fair value of plan assets at the end of the year</b>   | <b>7.61</b>            | <b>6.59</b>            |
| <b>iii. Reconciliation of the present value of defined benefit obligation and fair value of plan assets</b> |                        |                        |
| Present value of defined benefit obligations at the end of the year   | 6.98                   | 5.36                   |
| Fair value of plan assets at the end of the year  | 7.61                   | 6.59                   |
| <b>Net asset / (liability) recognized in the balance sheet as at the end of the year</b>                    | <b>0.63</b>            | <b>1.23</b>            |

## iv. Composition of plan assets

100% of plan assets are administered by LIC.

|  | (₹ In Crores)               |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| <b>v. Expense recognised during the Year</b>                                 |                             |                             |
| Current service cost   | 0.88                        | 0.71                        |
| Interest cost (net)  | (0.12)                      | (0.06)                      |
| Expenses recognised in the statement of profit and loss                      | <b>0.76</b>                 | <b>0.65</b>                 |
| <b>vi. Other comprehensive income</b>  |                             |                             |
| Components of actuarial gain/losses on obligations:                          |                             |                             |
| Due to change in financial assumptions                                       | 0.15                        | 0.03                        |
| Due to change in demographic assumption                                      | (0.06)                      | (0.10)                      |
| Due to experience adjustments  | 0.47                        | 0.65                        |
| Return on plan assets excluding amounts included in interest income          | 0.17                        | (0.06)                      |
| Components of defined benefit costs recognised in other comprehensive income | <b>0.73</b>                 | <b>0.52</b>                 |
| <b>vii. Principal actuarial assumptions</b>                                  |                             |                             |
| Discount rate (per annum)  | 6.55%                       | 7.15%                       |
| Rate of return on plan assets (p.a.)   | 6.55%                       | 7.15%                       |
| Annual increase in salary cost   | 8.00%                       | 8.00%                       |
| Withdrawal rates per annum   |                             |                             |
| 25 and below   | 35.00%                      | 35.00%                      |
| 26 to 35   | 35.00%                      | 30.00%                      |
| 36 to 45   | 25.00%                      | 25.00%                      |
| 46 to 55   | 20.00%                      | 20.00%                      |
| 56 and above   | 20.00%                      | 20.00%                      |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

The discount rate is based on the prevailing market yields of Government of India's bond as at the balance sheet date for the estimated term of the obligations.

## viii. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rates. 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:

|                                   | (₹ In Crores)               |                             |
|-----------------------------------|-----------------------------|-----------------------------|
|                                   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Defined benefit obligation (Base) | 6.98                        | 5.36                        |

|   | (₹ In Crores)               |          |                             |          |
|---|-----------------------------|----------|-----------------------------|----------|
|   | Year ended<br>31 March 2025 |          | Year ended<br>31 March 2024 |          |
|   | Decrease                    | Increase | Decrease                    | Increase |
| Discount rate (- / + 0.5%)                        | 7.11                        | 6.85     | 5.46                        | 5.26     |
| (% change compared to base due to sensitivity)    | 1.89%                       | -1.82%   | 1.89%                       | -1.82%   |
| Salary growth rate (- / + 0.5%)                   | 6.87                        | 7.08     | 5.27                        | 5.45     |
| (% change compared to base due to sensitivity)    | -1.53%                      | 1.57%    | -1.60%                      | 1.62%    |
| Withdrawal rate (W.R.) (W.R. x 90% / W.R. x 110%) | 7.07                        | 6.89     | 5.42                        | 5.30     |
| (% change compared to base due to sensitivity)    | 1.32%                       | -1.22%   | 1.11%                       | -1.03%   |

## ix. Asset liability matching strategies

The Company contributes to the insurance fund based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

## x. Effect of plan on the Company's future cash flows

### a) Funding arrangements and funding policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

### b) Maturity profile of defined benefit obligation

The average outstanding term of the obligations (years) as at 31<sup>st</sup> March 2025 is 4.02 years.(31<sup>st</sup> March 2024 : 4.10 years)

|  | (₹ In Crores)        |           |
|--|----------------------|-----------|
|  | Cash flows (₹) as at |           |
|  | 31-Mar-25            | 31-Mar-24 |
| <b>Expected cash flows over the next (valued on undiscounted basis):</b> |                      |           |
| 1 <sup>st</sup> Following Year   | 1.56                 | 1.19      |
| 2 <sup>nd</sup> Following year   | 1.24                 | 0.98      |
| 3 <sup>rd</sup> Following Year   | 1.05                 | 0.82      |
| 4 <sup>th</sup> Following Year   | 1.00                 | 0.70      |
| 5 <sup>th</sup> Following Year   | 0.84                 | 0.69      |
| Sum of years 6 to 10   | 2.38                 | 1.95      |

The future accrual is not considered in arriving at the above cash-flows.

The expected contribution for the next year is ₹ 1.05 crores.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## (c) Other long term employee benefits

|                      | (₹ In Crores)                                  |  |
|----------------------|--|--|
|                      | As at<br>31 March 2025                         | As at<br>31 March 2024                         |
| Discount Rate        | 6.55%  | 7.15%  |
| Salary Growth Rate   | 8.00%  | 8.00%  |
| Mortality Rates base | Indian Assured<br>Lives mortality<br>(2012-14) | Indian Assured<br>Lives mortality<br>(2012-14) |

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2025.

The liability for compensated absences is ₹ 0.27 crores (31 March 2024: ₹ 0.27 crores).

### Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the provident fund Act and the gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry of Labour and Employment. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

## 41 FINANCIAL INSTRUMENT AND FAIR VALUE MEASUREMENT

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.

This note describes the fair value measurement of both financial and non-financial instruments.

### A. Measurement of fair values

#### i) Financial instruments - fair value

The fair value of financial instruments as referred to in note (B) below have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurement).

The categories used are as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments

**Level 2:** The fair value of financial instruments that are not traded in active market is determined using valuation technique which maximizes the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value on instrument are observable, the instrument is included in level 2; and

**Level 3:** If one or more of significant input is not based on observable market data, the instrument is included in level 3.

#### ii) Transfers between levels 1 and 2

There has been no transfer in between level 1 and level 2.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## iii) Valuation techniques

### Loans

The Company has computed fair value of the loans and advances through OCI considering its business model. These have been fair valued using the base of the interest rate of loan disbursed in the last month of the year end which is an unobservable input and therefore these has been considered to be fair valued using level 3 inputs.

### Investments measured at FVTPL

Fair values of market linked debentures and mutual funds have been determined under level 1 using quoted market prices(unadjusted) of the underlying instruments. Fair value of investment in alternate investment funds have been determined under level 2 using observable input. For fair value of investment in OCPS of subsidiary, the Company has used incremental borrowing rate and applied discounted cash flow model and accordingly measured under level 3.

## B. Accounting classifications and fair values

The carrying amount and fair value of financial instruments including their levels in the fair value hierarchy presented below:

(₹ In Crores)

| As at 31 March 2025   | Carrying amount |                 |             | Fair value |         |          | Total    |
|---|-----------------|-----------------|-------------|------------|---------|----------|----------|
|   | Amortised cost  | FVOCI           | FVTPL       | Level 1    | Level 2 | Level 3  |          |
| <b>Financial assets measured at fair value</b>                      |                 |                 |             |            |         |          |          |
| Loans measured at FVOCI   | -               | 8,519.14        | -           | -          | -       | 8,519.14 | 8,519.14 |
| Investments measured at FVTPL                                       | -               | -               | 6.86        | 6.86       | -       | -        | 6.86     |
|   | -               | <b>8,519.14</b> | <b>6.86</b> |            |         |          |          |
| <b>Financial assets not measured at fair value<sup>1</sup></b>      |                 |                 |             |            |         |          |          |
| Cash and cash equivalents   | 437.97          | -               | -           | 437.97     | -       | -        | 437.97   |
| Bank balance other than cash and cash equivalents                   | 670.75          | -               | -           | 670.75     | -       | -        | 670.75   |
| Trade receivables   | 4.66            | -               | -           | -          | -       | 4.66     | 4.66     |
| Loans measured at amortised cost                                    | 94.72           | -               | -           | -          | -       | 95.32    | 95.32    |
| Investment measured at amortised cost                               | 1,510.38        | -               | -           | -          | -       | 1,511.39 | 1,511.39 |
| Other financial assets  | 162.76          | -               | -           | -          | -       | 162.64   | 162.64   |
|   | <b>2,881.24</b> | -               | -           |            |         |          |          |
| <b>Financial liabilities measured at fair value</b>                 |                 |                 |             |            |         |          |          |
| Derivative financial instruments                                    | -               | -               | 5.11        | 5.11       | -       | -        | 5.11     |
| <b>Financial liabilities not measured at fair value<sup>1</sup></b> |                 |                 |             |            |         |          |          |
| Trade payables  | 32.67           | -               | -           | -          | -       | 32.67    | 32.67    |
| Other payables  | 8.21            | -               | -           | -          | -       | 8.21     | 8.21     |
| Debt securities   | 1,463.64        | -               | -           | -          | -       | 1,475.00 | 1,475.00 |
| Borrowings (other than debt securities)                             | 6,934.50        | -               | -           | -          | -       | 6,973.64 | 6,973.64 |
| Subordinated liabilities  | 303.65          | -               | -           | -          | -       | 310.00   | 310.00   |
| Other financial liabilities   | 304.74          | -               | -           | -          | -       | 304.74   | 304.74   |
|   | <b>9,047.41</b> | -               | <b>5.11</b> |            |         |          |          |



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

| As at 31 March 2024   | Carrying amount |                 |              |         |         |          | Fair value |
|---|-----------------|-----------------|--------------|---------|---------|----------|------------|
|   | Amortised cost  | FVOCI           | FVTPL        | Level 1 | Level 2 | Level 3  | Total      |
| <b>Financial assets measured at fair value</b>                      |                 |                 |              |         |         |          |            |
| Loans measured at FVOCI   | -               | 7,144.04        | -            | -       | -       | 7,144.04 | 7,144.04   |
| Investments measured at FVTPL                                       | -               | -               | 59.45        | 6.14    | 53.31   | -        | 59.45      |
| Derivative financial instruments                                    | -               | -               | 1.91         | 1.91    | -       | -        | 1.91       |
|   | -               | <b>7,144.04</b> | <b>61.36</b> |         |         |          |            |
| <b>Financial assets not measured at fair value<sup>1</sup></b>      |                 |                 |              |         |         |          |            |
| Cash and cash equivalents   | 178.02          | -               | -            | 178.02  | -       | -        | 178.02     |
| Bank balance other than cash and cash equivalents                   | 664.27          | -               | -            | 664.27  | -       | -        | 664.27     |
| Trade receivables   | 6.52            | -               | -            | -       | -       | 6.52     | 6.52       |
| Loans measured at amortised cost                                    | 120.79          | -               | -            | -       | -       | 121.07   | 121.07     |
| Investment measured at amortised cost                               | 666.71          | -               | -            | -       | -       | 666.89   | 666.89     |
| Other financial assets  | 73.89           | -               | -            | -       | -       | 73.79    | 73.79      |
|   | <b>1,710.20</b> | -               | -            |         |         |          |            |
| <b>Financial liabilities not measured at fair value<sup>1</sup></b> |                 |                 |              |         |         |          |            |
| Trade payables  | 15.74           | -               | -            | -       | -       | 15.74    | 15.74      |
| Other payables  | 1.14            | -               | -            | -       | -       | 1.14     | 1.14       |
| Debt securities   | 626.86          | -               | -            | -       | -       | 643.84   | 643.84     |
| Borrowings (other than debt securities)                             | 6,120.36        | -               | -            | -       | -       | 6,147.95 | 6,147.95   |
| Subordinated liabilities  | 302.11          | -               | -            | -       | -       | 310.00   | 310.00     |
| Other financial liabilities   | 253.25          | -               | -            | -       | -       | 253.25   | 253.25     |
|   | <b>7,319.46</b> | -               | -            |         |         |          |            |

<sup>1</sup> The Company has determined that the carrying values of cash and cash equivalents, bank balances (with the residual maturity up to 12 months), trade payables, short term debts and borrowings, cash credit and other current liabilities are a reasonable approximation of their fair value as these are short term in nature.

## Reconciliation of level 3 fair value measurement is as follows:

(₹ In Crores)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>Loans #</b>  |                             |                             |
| Balance at the beginning of the year                    | 7,210.34                    | 5,869.68                    |
| Addition during the year                                | 6,737.76                    | 5,708.31                    |
| Amount derecognised / repaid during the year            | (5,303.79)                  | (4,341.09)                  |
| Amount written off                                      | (54.61)                     | (48.13)                     |
| Gains/(losses) recognised in other comprehensive income | 19.82                       | 21.57                       |
| Balance at the end of the year                          | <b>8,609.52</b>             | <b>7,210.34</b>             |

# The above classification also includes balance of spread receivable on assigned portfolio. (Refer note 10)

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## Sensitivity analysis to fair value

| (₹ In Crores)                    |                    |          |
|----------------------------------|--------------------|----------|
|                                  | Amount, net of tax |          |
|                                  | Increase           | Decrease |
| <b>31 March 2025</b>             |                    |          |
| <b>Loans</b>                     |                    |          |
| Interest rates (50 bps movement) | (21.32)            | 21.43    |
| <b>31 March 2024</b>             |                    |          |
| <b>Loans</b>                     |                    |          |
| Interest rates (50 bps movement) | (16.12)            | 16.19    |

## 42 CAPITAL

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are considered for the purpose of Company's capital management.

### 42.1 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.

### 42.2 Regulatory capital

| (₹ In Crores)                              |                        |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Tier 1 Capital                             | 2,266.19               | 1,515.89               |
| Tier 2 Capital                             | 215.01                 | 277.21                 |
| <b>Total Capital (Numerator)</b>           | <b>2,481.20</b>        | <b>1,793.10</b>        |
| <b>Risk weightage assets (Denominator)</b> | <b>10,035.24</b>       | <b>7,454.95</b>        |
| <b>Risk weighted assets</b>                |                        |                        |
| Tier 1 Capital Ratio (%)                   | 22.58%                 | 20.33%                 |
| Tier 2 Capital Ratio (%)                   | 2.14%                  | 3.72%                  |
| <b>Total Capital Ratio (%)</b>             | <b>24.72%</b>          | <b>24.05%</b>          |

Tier 1 capital consists of shareholders' equity and retained earnings excluding unrealised gain but including unrealised loss. Tier 2 capital consists of ECL on stage 1 and subordinated debt (subject to prescribed discount rates and not exceeding 50% of Tier 1).

## 43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets mainly includes loan and advances, cash and cash equivalents that derive directly from its operations.

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors has an overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

### 43.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

#### (a) Loans and advances

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before sanctioning any loan. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information, the loan-to-value ratio etc.

#### Analysis of risk concentration

The following table shows the risk concentration of the Company's loans.

| (₹ In Crores)                     |                        |                        |
|-----------------------------------|------------------------|------------------------|
|                                   | Carrying Amount        |                        |
|                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Retail assets loans:</b>       | 4,420.78               | 4,039.93               |
| Two wheeler loans                 | 299.00                 | 348.02                 |
| Micro enterprise loans            | 1635.22                | 1,396.38               |
| Salaried personal loans           | 501.43                 | 313.13                 |
| Small and medium enterprise loans | 1628.79                | 1,606.62               |
| Commercial vehicle loans          | 356.34                 | 375.78                 |
| Retail Assets Channel loans       | 4284.06                | 3,291.48               |
| <b>Total</b>                      | <b>8,704.84</b>        | <b>7,331.41</b>        |

#### Narrative Description of Collateral

Collateral primarily include vehicles purchased by retail loan customers and machinery & property in case of SME customers. The secured exposure are secured wholly or partly by hypothecation of assets and undertaking to create a security.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loans are categorised into groups based on days past due. Each group is then assessed for impairment using the ECL model as per the provisions of Ind AS 109 - financial instruments.

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(i) *Staging:*

As per the provision of Ind AS 109, all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase in credit risk is identified at the reporting date compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes due by more than 90 days on its contractual payments.

For financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL calculation considers default event for the lifespan of the instrument.

As per Ind AS 109, the Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. The Company has staged the assets based on the days past dues criteria and other market factors which significantly impacts the loan portfolio.

Company's internal grades and staging criteria for loans are as follows:

| Days past dues status | Stage   | Internal grades                                  | Provisions          |
|-----------------------|---------|--|---------------------|
| Current               | Stage 1 | High Quality assets, negligible credit risk      | 12 months provision |
| 1-30 Days             | Stage 1 | High Quality assets, negligible credit risk      | 12 months provision |
| 31-60 Days            | Stage 2 | Quality assets, low credit risk                  | Lifetime provision  |
| 61-90 Days            | Stage 2 | Standard assets, moderate credit risk            | Lifetime provision  |
| 91-180 Days           | Stage 3 | Sub-standard assets, relatively high credit risk | Lifetime provision  |
| >180 Days             | Stage 3 | Low quality assets, very high credit risk        | Lifetime provision  |

(ii) *Grouping:*

As per Ind AS 109, Company is required to group the portfolio based on the shared risk characteristics. The Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- Two wheeler loans
- Micro enterprise loans
- Salaried personal loans
- Small and medium enterprise loans
- Commercial vehicle loans
- Retail asset channel loans

(iii) *ECL:*

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

- Probability of default ("PD")
- Loss given default ("LGD")
- Exposure at default ("EAD")
- Discount factor ("D")

For RAC loan portfolio, the Company has developed internal rating based approach for the purpose of ECL. The credit rating framework of the Company consists of various parameters based on which RAC loan portfolio is evaluated and credit rating is assigned accordingly. The credit rating matrix developed by the Company is validated in accordance with its ECL policy.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

The Company has developed its PD matrix based on the external benchmarking of external reports, external ratings and Basel norms. This PD matrix is calibrated with its historical data and major events on regular time interval in accordance with its ECL policy.

## *Probability of default:*

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from internal data of the Company calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Vasicek Single Factor Model was used to forecast the PD term structure over lifetime of loans. As per Vasicek model, given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated. The Company has worked out PD based on the last five years historical data.

The PDs derived from the Vasicek model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs are converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the Current year.

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios.

The probability of default was calculated for 3 scenarios: upside (11%), downside (21%) and base (68%). This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.

## *Loss given default:*

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods.

Various approaches are available to compute the LGD. The Company has considered workout LGD approach. The following steps are performed to calculate the LGD:

- 1) Analysis of historical credit impaired accounts at cohort level.
- 2) The computation consists of four components, which are:
  - a) Outstanding balance (POS)
  - b) Recovery amount (discounted yearly) by effective interest rate.
  - c) Expected recovery amount (for incomplete recoveries), discounted to reporting date using effective interest rate.
  - d) Collateral (security) amount.

The formula for the computation is as below:

% Recovery rate = (discounted recovery amount + security amount + discounted estimated recovery) / (total outstanding balance)  
 % LGD = 1 – recovery rate

For RAC loan portfolio, the LGD has been considered based on Basel-II Framework for all the level of credit rating portfolio.

## *Exposure at default:*

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Company has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected assignment of loans.



## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

The Company has considered expected cash flows for all the loans at DPD bucket level for each of the segments, which was used for computation of ECL. The exposure at default is calculated for each product and for various DPD status after considering future expected assignment which is not at risk. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure of retail loans. Further, the EAD for stage 3 retail loans are the outstanding exposures at the time loan is classified as Stage 3 for the first time.

### Discounting:

As per Ind AS 109, ECL on retail loans is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

### ECL computation:

Conditional ECL at DPD pool level was computed with the following method:

Conditional retail ECL for year (yt) = EAD (yt) \* conditional PD (yt) \* LGD (yt) \* discount factor (yt)

Conditional RAC ECL for year (yt) = EAD (yt) \* conditional PD (yt) \* LGD (yt)

For RAC loan portfolio, the Company has calculated ECL based on borrower wise assessment of internal credit rating as per the framework of the Company, while for retail loan portfolio, the same has been calculated on collective basis.

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of ECL provided for across the stages is summarised below:

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Stage 1  | 0.41%                  | 0.42%                  |
| Stage 2  | 22.32%                 | 22.74%                 |
| Stage 3  | 41.38%                 | 38.92%                 |
| <b>Amount of expected credit loss provided for</b> | <b>169.72</b>          | <b>129.44</b>          |

The loss rates are based on actual credit loss experience over past 5 years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables.

### (iv) Management overlay

The Company holds a management and macro-economic overlay of ₹ 17.60 crores as at 31 March 2025 (31 March 2024: ₹ 18.79 crores).

### (v) Modification of financial assets

The Company has modified the terms of certain loans provided to customers in accordance with RBI notification on MSME restructuring dated 6 August 2020 and 5 May 2021. Such restructuring benefits are provided to distressed customers who are impacted by COVID-19 pandemic.

Such restructuring benefits include extended payment term arrangements, moratorium and changes in interest rates. The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset (refer note 3.5). The Company monitors the subsequent performance of modified assets. The gross carrying amount of such assets held as at 31 March 2025 is ₹ 0.47 crores (31 March 2024: ₹ 0.47 crores). Overall provision for expected credit loss against restructured loan exposure amounts to ₹ 1.40 crores as at 31 March 2025 (31 March 2024: ₹ 0.13 crores). The Company continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets.

### (b) Cash and cash equivalent and bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Company generally invests in term deposits with banks which are subject to an insignificant risk of change in value.

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 43.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The Company is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Company manages its liquidity by unutilised cash credit facility, term loans and direct assignment of loans.

The composition of the Company's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix.

The total cash credit limit available to the Company is ₹ 1338.75 Crore spread across 13 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

RBI has mandated minimum liquidity coverage ratio (LCR) of 50% to be maintained by December 2021, which is to be gradually increased to 100% by December 2024. The Company has LCR of 477.76 % as of 31 March 2025 as against the LCR of 50% mandated by RBI.

The Management expects to continue to maintain around 20% to 25% of assets under management as off book through direct assignment transactions. It is with door to door maturity and without recourse to the Company. This further strengthens the liability management.

The table below summarises the maturity profile of the undiscounted cash flow of the Company's financial liabilities:

(₹ In Crores)

|   | 1 day to 30 days (one month) | Over one month to 2 months | Over 2 months up to 3 months | Over 3 months to 6 months | Over 6 months to 1 year | Over 1 year to 3 years | Over 3 year to 5 years | Over 5 years | Total    |
|---|------------------------------|----------------------------|------------------------------|---------------------------|-------------------------|------------------------|------------------------|--------------|----------|
| <b>As at 31 March 2025</b>              |                              |                            |                              |                           |                         |                        |                        |              |          |
| Debt securities                         | 9.73                         | 9.41                       | 12.18                        | 304.66                    | 345.90                  | 942.97                 | 40.26                  | -            | 1,665.11 |
| Borrowings (Other than debt securities) | 152.46                       | 134.19                     | 413.51                       | 698.57                    | 2,566.58                | 3,159.66               | 595.87                 | -            | 7,720.84 |
| Subordinated liabilities                | 2.79                         | 2.78                       | 2.79                         | 8.40                      | 16.57                   | 160.86                 | 225.82                 | 420.01       | 840.02   |
| Payables                                | 39.63                        | -                          | -                            | -                         | 1.25                    | -                      | -                      | -            | 40.88    |
| Lease liability                         | 0.10                         | 0.10                       | 0.10                         | 0.30                      | 0.62                    | 2.13                   | 0.54                   | -            | 3.89     |
| Other financial liabilities             | 272.57                       | 0.69                       | 0.08                         | -                         | 33.17                   | -                      | -                      | -            | 306.51   |

(₹ In Crores)

|   | 1 day to 30 days (one month) | Over one month to 2 months | Over 2 months up to 3 months | Over 3 months to 6 months | Over 6 months to 1 year | Over 1 year to 3 years | Over 3 year to 5 years | Over 5 years | Total    |
|---|------------------------------|----------------------------|------------------------------|---------------------------|-------------------------|------------------------|------------------------|--------------|----------|
| <b>As at 31 March 2024</b>              |                              |                            |                              |                           |                         |                        |                        |              |          |
| Debt securities                         | 2.47                         | 2.40                       | 11.16                        | 34.63                     | 173.58                  | 470.96                 | 53.75                  | -            | 748.95   |
| Borrowings (Other than debt securities) | 116.88                       | 120.84                     | 349.81                       | 627.07                    | 2,224.90                | 2,887.13               | 521.26                 | -            | 6,847.89 |
| Subordinated liabilities                | 2.78                         | 2.78                       | 2.78                         | 8.39                      | 16.56                   | 66.65                  | 301.90                 | 51.46        | 453.30   |
| Payables                                | 15.75                        | -                          | -                            | 1.13                      | -                       | -                      | -                      | -            | 16.88    |
| Lease liability                         | 0.07                         | 0.08                       | 0.07                         | 0.23                      | 0.46                    | 1.70                   | 0.98                   | -            | 3.59     |
| Other financial liabilities             | 204.55                       | -                          | -                            | 0.12                      | 43.77                   | 1.82                   | -                      | -            | 250.26   |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 43.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment and variable interest rate borrowings and lending.

The sensitivity analysis have been carried out based on the exposure to interest rates for lending and borrowings carried at variable rate and investments made by the Company.

(₹ In Crores)

| Change in interest rates                 | Year ended<br>31 March 2025 |                    | Year ended<br>31 March 2024 |                    |
|--|-----------------------------|--------------------|-----------------------------|--------------------|
|  | 50 bps<br>increase          | 50 bps<br>decrease | 50 bps<br>increase          | 50 bps<br>decrease |
| Investments                              | -                           | -                  | 50.95                       | 50.95              |
| Impact on profit before tax for the year | -                           | -                  | 0.25                        | (0.25)             |
| Variable rate lending                    | 4,284.06                    | 4,284.06           | 3,291.48                    | 3,291.48           |
| Impact on profit before tax for the year | 21.42                       | (21.42)            | 16.46                       | (16.46)            |
| Variable rate borrowings                 | 7,046.39                    | 7,046.39           | 5,633.48                    | 5,633.48           |
| Impact on profit before tax for the year | (35.23)                     | 35.23              | (28.17)                     | 28.17              |

#### B. Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company has hedged its foreign currency risk on its foreign currency borrowings as on March 31, 2025 by entering into forward contracts with the intention of covering the entire term of foreign currency exposure. The counterparties for such hedge transactions are banks.

The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period expressed in Indian Rupees are as follows:

(₹ In Crores)

|   | Foreign<br>currency | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|---------------------|------------------------|------------------------|
| Term loan from Bank in Foreign Currency | USD                 | 759.73                 | 577.04                 |

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all other variables are held constant. On the date of maturity of the derivative instrument, considering the hedging for the entire term of the foreign currency exposure, the sensitivity of profit and loss to changes in the exchange rates will be Nil.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 44 LEASE DISCLOSURE

### Where the Company is the lessee

The Company has entered into agreements for taking its office premises under leave and license arrangements. These agreements are for tenures between 11 months and 5 years and majority of the agreements are renewable by mutual consent on mutually agreeable terms, lease rentals have an escalation ranging between 5% to 15%. Leases for which the lease term is less than 12 months have been accounted as short term leases.

| (₹ In Crores)   |                        |                        |
|---|------------------------|------------------------|
| Contractual cash maturities of lease liabilities on an undiscounted basis | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Not later than one year   | 1.22                   | 0.90                   |
| Later than one year and not later than five years                         | 2.67                   | 2.69                   |
| Later than five years   | -                      | -                      |
| <b>Total undiscounted lease liabilities</b>                               | <b>3.89</b>            | <b>3.59</b>            |
| <b>Lease liabilities included in the balance sheet</b>                    |                        |                        |
| Total lease liabilities   | 3.34                   | 2.99                   |

| (₹ In Crores)   |                             |                             |
|---|-----------------------------|-----------------------------|
| Amount recognised in the statement of profit and loss account | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Interest on lease liabilities                                 | 0.30                        | 0.19                        |
| Depreciation charge for the year                              | 0.93                        | 0.57                        |
| Expenses relating to short term leases                        | 4.62                        | 3.97                        |

| (₹ In Crores)                               |                             |                             |
|---|-----------------------------|-----------------------------|
| Amount recognised in statement of cash flow | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Cash outflow towards lease liability        | (0.77)                      | (0.45)                      |

For addition and carrying amount of right to use asset for 31 March 2025 and 31 March 2024, refer note 11(d).

Title deeds of all immovable properties of the Company are held in name of the Company. Further all the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.

## 45 TRANSFER OF FINANCIAL ASSETS

### 45.1 Transferred financial assets that are not derecognised in their entirety

The following table provides 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:

| (₹ In Crores)   |                        |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Securitisation</b>   |                        |                        |
| Carrying amount of transferred assets   | -                      | -                      |
| Carrying amount of associated liabilities (Borrowings - other than debt securities) | -                      | -                      |
| Fair value of assets (A)  | -                      | -                      |
| Fair value of associated liabilities (B)  | -                      | -                      |
| Net position at Fair Value (A-B)  | -                      | -                      |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 45.2 Transferred financial assets that are derecognised in their entirety

The Company has assigned loans by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of exposure net of MRR 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 :

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Direct assignment</b>                         |                        |                        |
| Carrying amount of de-recognised financial asset | 2,232.21               | 1,927.33               |
| Carrying amount of retained financial asset      | 239.47                 | 207.96                 |

### 45.3 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

## 46 OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III

**46.1** No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2025 and 31 March 2024.

**46.2** The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2025 and 31 March 2024.

**46.3** The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2025 and 31 March 2024.

**46.4** All the charges or satisfaction, as applicable are registered with ROC within the statutory period.

**46.5** The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds are held by the Company in the form of deposits or in current accounts till the time the utilisation is made subsequently.

**46.6** There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2025 and 31 March 2024, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2025 and 31 March 2024.

**46.7** As a part of normal lending business, the Company grants loans and advances after exercising proper due diligence.

Other than the transactions described above,

- (a) No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries);
- (b) No funds have been received by the Company from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**46.8** The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2025 and 31 March 2024.

**46.9** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2025 and 31 March 2024.



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

**46.10** The Company has not entered into any scheme of arrangement.

## **47 DISCLOSURES REQUIRED IN TERMS OF ANNEXURE XXII OF THE MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DATED 19 OCTOBER 2023 (UPDATED AS ON 21 MARCH 2024) ARE MENTIONED AS BELOW:**

### **47.1 Capital**

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| i) CRAR (%)   | 24.72%                 | 24.05%                 |
| ii) CRAR - Tier I capital (%)                             | 22.58%                 | 20.33%                 |
| iii) CRAR - Tier II capital (%)                           | 2.14%                  | 3.72%                  |
| iv) Amount of subordinated debt raised as Tier-II capital | 181.00                 | 248.00                 |
| v) Amount raised by issue of perpetual debt instruments   | -                      | -                      |

### **47.2 Investments**

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| 1. Value of investments  |                        |                        |
| (i) Gross value of investments   |                        |                        |
| (a) In India   | 1,594.80               | 787.89                 |
| (b) Outside India  | -                      | -                      |
| (ii) Provisions for depreciation   |                        |                        |
| (a) In India   | 1.01                   | 0.18                   |
| (b) Outside India  | -                      | -                      |
| (iii) Net value of investments   |                        |                        |
| (a) In India   | 1,593.79               | 787.71                 |
| (b) Outside India  | -                      | -                      |
| 2. Movement of provisions held towards depreciation on investments.      |                        |                        |
| (i) Opening balance  | 0.18                   | 0.24                   |
| (ii) Add : Provisions made during the year                               | 0.96                   | 0.17                   |
| (iii) Less : Write-off / write-back of excess provisions during the year | 0.13                   | 0.24                   |
| (iv) Closing balance   | 1.01                   | 0.18                   |

### **47.3 Derivatives**

#### **(A) Forward Rate Agreement / Interest Rate Swap**

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| (i) The notional principal of swap agreements   | -                      | -                      |
| (ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | -                      | -                      |
| (iii) Collateral required by the NBFC upon entering into swaps  | -                      | -                      |
| (iv) Concentration of credit risk arising from the swap   | -                      | -                      |
| (v) The fair value of the swap book   | -                      | -                      |

#### **(B) Exchange Traded Interest Rate (IR) Derivatives :**

The Company has not traded in exchange traded interest rate derivative during the current and previous year.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## (C) Disclosures on Risk Exposure in Derivatives

### Qualitative Disclosure

The Company has a Board approved policy in dealing with derivative transactions. The Company undertakes derivative transactions for hedging its foreign currency exposures to mitigate the foreign currency risk. During the year, the company has hedged its foreign currency borrowings through foreign exchange forward contracts.

The foreign currency transactions and derivative transactions are accounted in accordance with IND AS as detailed in the accounting policy Note 3.22

### Quantitative Disclosures

| (₹ In Crores)                         |                      |                           |                      |                           |
|---------------------------------------|----------------------|---------------------------|----------------------|---------------------------|
|                                       | As at 31 March 2025  |                           | As at 31 March 2024  |                           |
|                                       | Currency derivatives | Interest rate derivatives | Currency derivatives | Interest rate derivatives |
| (i) Derivatives                       |                      |                           |                      |                           |
| For Hedging                           | 770.76               | -                         | 574.86               | -                         |
| (ii) Marked to market positions (Net) |                      |                           |                      |                           |
| a) Asset (+)                          | -                    | -                         | 1.91                 | -                         |
| b) Liability (-)                      | (5.11)               | -                         | -                    | -                         |
| (iii) Credit exposure                 | -                    | -                         | -                    | -                         |
| (iv) Unhedged exposures               | -                    | -                         | -                    | -                         |

## 47.4 Asset liability management maturity pattern of certain items of assets and liabilities

| (₹ In Crores)                 |                      |                       |                        |                            |                              |                           |                         |                        |                        |              |          |
|-------------------------------|----------------------|-----------------------|------------------------|----------------------------|------------------------------|---------------------------|-------------------------|------------------------|------------------------|--------------|----------|
|                               | Over 1 day to 7 days | Over 8 day to 14 days | Over 15 day to 30 days | Over one month to 2 months | Over 2 months up to 3 months | Over 3 months to 6 months | Over 6 months to 1 year | Over 1 year to 3 years | Over 3 year to 5 years | Over 5 years | Total    |
| <b>As at 31 March 2025</b>    |                      |                       |                        |                            |                              |                           |                         |                        |                        |              |          |
| Bank Fixed Deposits           | -                    | -                     | 0.32                   | 307.98                     | 52.86                        | 210.40                    | 73.65                   | 244.12                 | -                      | -            | 889.33   |
| Advances                      | 298.75               | 100.11                | 176.57                 | 508.84                     | 556.77                       | 1,314.42                  | 2,083.13                | 2,856.54               | 429.73                 | 289.01       | 8,613.86 |
| Investments                   | -                    | 27.81                 | 305.05                 | 68.99                      | 68.73                        | 213.24                    | 377.97                  | 430.39                 | 25.07                  | 76.54        | 1,593.79 |
| Borrowings (Refer note below) | 33.50                | 25.92                 | 52.26                  | 92.66                      | 374.58                       | 803.16                    | 2,476.72                | 3,939.25               | 903.74                 | -            | 8,701.79 |
| Foreign Currency assets       | -                    | -                     | -                      | -                          | -                            | -                         | -                       | -                      | -                      | -            | -        |
| Foreign Currency liabilities  | -                    | -                     | -                      | -                          | -                            | -                         | -                       | -                      | -                      | -            | -        |
| <b>As at 31 March 2024</b>    |                      |                       |                        |                            |                              |                           |                         |                        |                        |              |          |
| Bank Fixed Deposits           | -                    | 25.02                 | 159.22                 | -                          | 243.63                       | 1.14                      | 281.05                  | 21.91                  | 1.51                   | -            | 733.48   |
| Advances                      | 203.89               | 82.30                 | 232.76                 | 462.73                     | 569.96                       | 1,131.92                  | 1,704.26                | 2,464.82               | 311.67                 | 100.53       | 7,264.83 |
| Investments                   | 12.12                | 11.22                 | 51.57                  | 34.11                      | 44.78                        | 112.34                    | 243.07                  | 216.53                 | 0.43                   | 61.55        | 787.71   |
| Borrowings                    | 24.36                | 19.25                 | 38.66                  | 83.27                      | 320.20                       | 527.87                    | 2,157.42                | 2,892.14               | 937.94                 | 48.22        | 7,049.33 |
| Foreign Currency assets       | -                    | -                     | -                      | -                          | -                            | -                         | -                       | -                      | -                      | -            | -        |
| Foreign Currency liabilities  | -                    | -                     | -                      | -                          | -                            | -                         | -                       | -                      | -                      | -            | -        |

**Note:** The company has converted a portion of long term Indian Rupee borrowing into a short term foreign currency (FC) loan. This FC loan will either get roll over or be again converted into INR term loan till the maturity of the original loan. The actual repayment of this loan will be made as per the original repayment terms as per the original Indian Rupee Long term Borrowing. Accordingly, the maturity pattern in this table is considered as per the applicable tenure of the original INR Borrowing. The amount of such Foreign currency loan outstanding as at 31 March 2025 is ₹ 759.73 Crore.

## 47.5 Exposure to Real Estate Sector: Refer note 51 (A) (1) for details

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

**47.6 Exposure to Capital Market:** Refer note 51 (A) (2) for details

**47.7 Details of financing of parent company products**

Not applicable

**47.8 Details of Single Borrower Limit ("SGL") / Group Borrower Limit ("GBL") exceeded by the NBFC**

i) Loans and advances, excluding advance funding but including off-balance sheet exposures to any single party in excess of 15 per cent of owned fund of the NBFC:

Nil

ii) Loans and advances to (excluding advance funding but including debentures/bonds and off-balance sheet exposures) and investment in the shares of single party in excess of 25 per cent of the owned fund of the NBFC:

Nil

**47.9 Unsecured advances**

a) Refer note 8 (B) (ii) to the standalone financial statements.

b) The Company has not granted any advances against intangible securities (31 March 2024: Nil).

**47.10 Registration obtained from other financial sector regulators**

The Company is registered with RBI and has all its operations in India, it has not obtained registration from any other financial sector regulators during the year.

**47.11 Disclosure of penalties imposed by RBI and other regulators**

During the year ended 31 March 2025, no penalties have been imposed by RBI and other regulators (31 March 2024: Nil).

**47.12 Related party transactions**

Refer note 35 to the standalone financial statements.

**47.13 Ratings assigned by credit rating agencies and migration of ratings during the year**

| Instrument                                       | (Amount in Crores) | Current Rating    | Previous Rating        |
|--|--------------------|-------------------|------------------------|
| <b>By Acuite Ratings &amp; Research Limited:</b> |                    |                   |                        |
| Long term bank facilities                        | 6,000.00           | ACUITE AA/Stable  | ACUITE AA-(Stable)     |
| Non Convertible Debentures (NCD)                 | 200.00             | ACUITE AA/Stable  | ACUITE AA-(Stable)     |
| Commercial paper issue                           | 300.00             | ACUITE A1+        | No migration of rating |
| Long term bank facilities                        | 750.00             | ACUITE AA/Stable  | -                      |
| Non Convertible Debentures (NCD)                 | 150.00             | ACUITE AA/Stable  | -                      |
| <b>By Care Ratings Limited:</b>                  |                    |                   |                        |
| Long term bank facilities                        | 8,000.00           | CARE AA- (Stable) | No migration of rating |
| Commercial Papers issue                          | 250.00             | CARE A1+          | No migration of rating |
| Non Convertible Debentures                       | 350.00             | CARE AA- (Stable) | No migration of rating |
| Non Convertible Debentures                       | 1,155.00           | CARE AA- (Stable) | -                      |
| Subordinate debt                                 | 200.00             | CARE AA- (Stable) | No migration of rating |
| Subordinate debt                                 | 100.00             | CARE AA- (Stable) | No migration of rating |
| Subordinate debt                                 | 100.00             | CARE AA- (Stable) | No migration of rating |

**47.14 Remuneration of directors**

Refer note 35 to the standalone financial statements.

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 47.15 Management Discussion and Analysis

The annual report has a detailed chapter on Management Discussion and Analysis.

### 47.16 Net profit or loss for the period, prior period items and change in accounting policies

The Company does not have any prior period items and change in accounting policies during the current year.

### 47.17 Revenue recognition

Refer note 3.1 to the standalone financial statements.

### 47.18 Ind AS 110 - consolidated financial statements (CFS)

The Company has prepared Consolidated Financial Statements in accordance with the requirements of Ind AS 110 - Consolidated Financial Statements.

### 47.19 Provisions and contingencies

The information on all provisions and contingencies is as under:

| (₹ In Crores)   |                        |                        |
|---|------------------------|------------------------|
| Break up of 'provisions and contingencies' shown under the head expenditure in the statement of profit and loss | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Provision for depreciation on investment  | 0.83                   | (0.06)                 |
| Provision towards non performing assets (Stage 3 loan assets)   | 28.42                  | 20.82                  |
| Provision made towards income tax   | 104.85                 | 80.72                  |
| Provision towards standard assets (Stage 1 and 2 loan assets)   | 11.87                  | 5.15                   |

### 47.20 Draw down from reserves

| (₹ In Crores)           |                        |                        |
|-------------------------|------------------------|------------------------|
|                         | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Draw down from reserves | -                      | -                      |

### 47.21 Concentration of deposits (for deposit taking NBFCs)

Not Applicable

### 47.22 Concentration of advances

| (₹ In Crores)  |                        |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Total advances to twenty largest borrowers                                       | 1354.17                | 1,198.70               |
| Percentage of advances to twenty largest borrowers to total advances of the NBFC | 15.72%                 | 16.50%                 |

### 47.23 Concentration of exposures

| (₹ In Crores)  |                        |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Total exposure to twenty largest borrowers / customers   | 1,458.72               | 1,219.82               |
| Percentage of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers | 16.55%                 | 16.48%                 |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 47.24 Concentration of NPAs

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Total exposure to top four NPA accounts | 18.70                  | 17.70                  |

## 47.25 Sector-wise NPAs: Refer note 52 for details

## 47.26 Movement of NPAs

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| (i) Net NPAs to net advances (%)   | 1.52%                  | 1.50%                  |
| (ii) Movement of NPAs (gross)  |                        |                        |
| (a) Opening balance  | 190.58                 | 132.70                 |
| (b) Additions during the year  | 188.56                 | 165.24                 |
| (c) Reductions during the year   | 131.18                 | 107.36                 |
| (d) Closing balance  | 247.96                 | 190.58                 |
| (iii) Movement of net NPAs   |                        |                        |
| (a) Opening balance  | 116.41                 | 79.35                  |
| (b) Additions during the year  | 123.64                 | 104.57                 |
| (c) Reductions during the year   | 94.69                  | 67.51                  |
| (d) Closing balance  | 145.36                 | 116.41                 |
| (iv) Movement of provisions for NPAs (excluding provisions on standard assets) |                        |                        |
| (a) Opening balance  | 74.17                  | 53.35                  |
| (b) Provisions made during the year  | 64.92                  | 60.67                  |
| (c) Write-off / write-back of excess provisions                                | 36.49                  | 39.85                  |
| (d) Closing balance  | 102.60                 | 74.17                  |

## 47.27 Overseas assets (for those with joint ventures and subsidiaries abroad)

Nil

## 47.28 Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Nil

## 47.29 Disclosure of customers complaints: Refer note 51(C) for details



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 48 DISCLOSURES RELATING TO SECURITISATION AND TRANSFER OF LOAN EXPOSURE

The information of securitisation and transfer of loan exposure by the Company as required by RBI circular RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 and RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021 (Updated as on December 28, 2023) is as under:

### (a) For Securitisation Transaction by originator (non-STC transaction)

|         |   | (₹ In Crores)       |                     |
|---------|---|---------------------|---------------------|
| Sr. No. | Particulars   | As at 31 March 2025 | As at 31 March 2024 |
| 1       | No of SPEs holding assets for securitisation transactions originated by the originator  |                     | -                   |
| 2       | Total amount of securitised assets as per books of the SPEs   | -                   | -                   |
| 3       | Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet                           |                     |                     |
| a)      | Off-balance sheet exposures   |                     |                     |
|         | • First loss  | -                   | -                   |
|         | • Others  | -                   | -                   |
| b)      | On-balance sheet exposures  |                     |                     |
|         | • First loss  | -                   | -                   |
|         | • Others  | -                   | -                   |
| 4       | Amount of exposures to securitisation transactions other than MRR   |                     |                     |
| a)      | Off-balance sheet exposures   |                     |                     |
| i)      | Exposure to own securitizations   |                     |                     |
|         | • First loss  | -                   | -                   |
|         | • Others  | -                   | -                   |
| ii)     | Exposure to third party securitizations   |                     |                     |
|         | • First loss  | -                   | -                   |
|         | • Others  | -                   | -                   |
| b)      | On-balance sheet exposures  |                     |                     |
| i)      | Exposure to own securitizations   |                     |                     |
|         | • First loss  | -                   | -                   |
|         | • Others  | -                   | -                   |
| ii)     | Exposure to third party securitizations   |                     |                     |
|         | • First loss  | -                   | -                   |
|         | • Others  | -                   | -                   |
| 5       | Sale consideration received for the securitised assets;   | -                   | -                   |
|         | Gain/loss on sale on account of securitisation  | -                   | -                   |
| 6       | Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc. | -                   | -                   |
|         | <b>Over collateralisation</b>   | -                   | -                   |
|         | <b>Excess Interest spread</b>   | -                   | -                   |
|         | <b>Cash collateral</b>  | -                   | -                   |
| 7       | Performance of facility provided  |                     |                     |
|         | <b>Over collateralisation</b>   |                     |                     |
| (a)     | Amount paid   | -                   | -                   |
| (b)     | Repayment received  | -                   | -                   |
| (c)     | Outstanding amount  | -                   | -                   |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

| Sr. No. | Particulars   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------|---|------------------------|------------------------|
|         | <b>Excess Interest spread</b>   |                        |                        |
| (a)     | Amount paid   | -                      | -                      |
| (b)     | Repayment received  | -                      | -                      |
| (c)     | Outstanding amount  | -                      | -                      |
|         | <b>Cash collateral</b>  |                        |                        |
| (a)     | Amount paid   | -                      | -                      |
| (b)     | Repayment received  | -                      | -                      |
| (c)     | Outstanding amount  | -                      | -                      |
| 8       | Average default rate of portfolios observed in the past.                    |                        |                        |
| (a)     | loans to NBFCs  | -                      | -                      |
| 9       | Amount and number of additional/top up loan given on same underlying asset. | -                      | -                      |
| 10      | Investor complaints   |                        |                        |
| (a)     | Directly/Indirectly received and;   | -                      | -                      |
| (b)     | Complaints outstanding  | -                      | -                      |

(b) For Securitisation Transaction by originator (STC transaction) - Not applicable

(c) Details of loans not in default transferred through assignment

(₹ In Crores)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Aggregate principal outstanding of loans transferred (₹ in crores) | 2,540.71                    | 2,242.21                    |
| Weighted average residual maturity (in months)                     | 22                          | 23                          |
| Weighted average holding period (in months)                        | 6                           | 5                           |
| Average retention of beneficial economic interest (MRR) (%)        | 11%                         | 10%                         |
| Average coverage of tangible security (%)                          | 50%                         | 50%                         |
| Rating wise distribution of loans transferred                      | Unrated                     | Unrated                     |

(d) Details of loans not in default acquired through assignment

(₹ In Crores)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Aggregate principal outstanding of loans acquired (₹ in crores)           | 434.36                      | 322.75                      |
| Weighted average residual maturity (in months)                            | 24                          | 24                          |
| Weighted average holding period (in months)                               | 9                           | 9                           |
| Average retention of beneficial economic interest (MRR) by originator (%) | 10%                         | 10%                         |
| Average coverage of tangible security (%)                                 | 25%                         | 36%                         |
| Rating wise distribution of loans acquired                                | Unrated                     | Unrated                     |

(e) Details of non-performing financial assets purchased / sold

The Company has not purchased or sold non-performing financial assets during the year (previous year Nil).

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 49 DISCLOSURES REQUIRED IN TERMS OF ANNEXURE VI AND ANNEXURE XXI OF THE MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DATED 19 OCTOBER 2023 (UPDATED AS ON 21 MARCH 2024) ON GUIDELINES ON LIQUIDITY RISK MANAGEMENT FRAMEWORK AND LIQUIDITY COVERAGE RATIO (LCR) ARE MENTIONED AS BELOW:

#### 49.1 Funding concentration based on significant counterparty<sup>1</sup> (both deposits and borrowings)

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Number of significant counterparties                                  | 22                     | 25                     |
| Amount  | 6,646.32               | 6,027.56               |
| Percentage of funding concentration to total deposits                 | Not applicable         | Not Applicable         |
| Percentage of funding concentration to total liabilities <sup>2</sup> | 73%                    | 82%                    |

<sup>1</sup> Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No. 102/ 03.10.001/ 2019-20 dated November 4, 2019 on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies'.

<sup>2</sup> Total liabilities represents total liabilities as per balance sheet.

#### 49.2 Top 20 large deposits

Not Applicable to the Company as it does not accept public deposits.

#### 49.3 Top 10 borrowings

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Total amount of top 10 borrowings                             | 3,927.69               | 4,239.76               |
| Percentage of amount of top 10 borrowings to total borrowings | 45%                    | 60%                    |

#### 49.4 Funding concentration based on significant instrument/product<sup>#</sup>

|   | (₹ In Crores)          |                                    |                        |                                    |
|---|------------------------|------------------------------------|------------------------|------------------------------------|
|   | As at<br>31 March 2025 | Percentage of<br>total liabilities | As at<br>31 March 2024 | Percentage of<br>total liabilities |
| Term Loans  | 5,683.31               | 63%                                | 5,044.02               | 69%                                |
| Cash credit / Overdraft / Working capital demand loan | 1,290.82               | 14%                                | 1,114.50               | 15%                                |
| Market linked Debenture                               | -                      | 0%                                 | 100.00                 | 1%                                 |
| Subordinate-debentures                                | 310.00                 | 3%                                 | 310.00                 | 4%                                 |
| Non convertible debentures                            | 1,475.00               | 16%                                | 531.25                 | 7%                                 |

<sup>#</sup> Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies'.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 49.5 Stock ratio

(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| (i) Commercial paper as a percentage of total public funds <sup>4</sup>   | Not applicable         | Not applicable         |
| (ii) Commercial paper as a percentage of total liabilities  | Not applicable         | Not applicable         |
| (iii) Commercial paper as a percentage of total assets  | Not applicable         | Not applicable         |
| (iv) Non convertible debentures (original maturity of less than one year) as a percentage of total public funds | Not applicable         | Not applicable         |
| (v) Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities   | Not applicable         | Not applicable         |
| (vi) Non convertible debentures(original maturity of less than one year) as a percentage of total assets        | Not applicable         | Not applicable         |
| (vii) Other short term liabilities as a percentage of total public funds  | 48%                    | 48%                    |
| (viii) Other short term liabilities as a percentage of total liabilities  | 46%                    | 47%                    |
| (ix) Other short term liabilities as a percentage of total assets   | 36%                    | 38%                    |

<sup>4</sup> Public funds as defined in Master Direction - Non-Banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

## 49.6 Institutional set-up for liquidity risk management

Refer note 43.2 of the standalone financials statements.

## Quarterly liquidity coverage ratio for the year ended 31 March 2025

(₹ In Crores)

| Particulars  | Quarter ended 30 June<br>2024             |   | Quarter ended 30<br>September 2024        |   | Quarter ended 31<br>December 2024         |   | Quarter ended 31 March<br>2025            |   |
|--|---|---|---|---|---|---|---|---|
|  | Total<br>Unweighted<br>Value<br>(average) | Total<br>Weighted<br>Value<br>(average) | Total<br>Unweighted<br>Value<br>(average) | Total<br>Weighted<br>Value<br>(average) | Total<br>Unweighted<br>Value<br>(average) | Total<br>Weighted<br>Value<br>(average) | Total<br>Unweighted<br>Value<br>(average) | Total<br>Weighted<br>Value<br>(average) |
|  |   |   |   |   |   |   |   |   |
| <b>High Quality Liquid Assets</b>  |   |   |   |   |   |   |   |   |
| 1 Total High Quality Liquid Assets (HQLA)                                      | 629.49                                    | 629.49                                  | 411.24                                    | 411.24                                  | 449.59                                    | 449.59                                  | 507.38                                    | 507.38                                  |
| <b>Cash Outflows</b>   |   |   |   |   |   |   |   |   |
| 2 Deposits (for deposit taking companies)                                      | N/A                                       | N/A                                     | N/A                                       | N/A                                     | N/A                                       | N/A                                     | N/A                                       | N/A                                     |
| 3 Unsecured wholesale funding  | -   | -                                       | -   | -                                       | -   | -                                       | -   | -                                       |
| 4 Secured wholesale funding  | 156.85                                    | 180.37                                  | 175.51                                    | 201.84                                  | 223.73                                    | 257.29                                  | 161.98                                    | 186.27                                  |
| 5 Additional requirements, of which  | -   | -                                       | -   | -                                       | -   | -                                       | -   | -                                       |
| (i) Outflows related to derivative exposures and other collateral requirements | -   | -                                       | -   | -                                       | -   | -                                       | -   | -                                       |
| (ii) Outflows related to loss of funding on debt products                      | -   | -                                       | -   | -                                       | -   | -                                       | -   | -                                       |
| (iii) Credit and liquidity facilities  | -   | -                                       | -   | -                                       | -   | -                                       | -   | -                                       |
| 6 Other contractual funding obligations  | 224.78                                    | 258.50                                  | 238.76                                    | 274.58                                  | 263.43                                    | 302.94                                  | 207.41                                    | 238.52                                  |
| 7 Other contingent funding obligations   | -   | -                                       | -   | -                                       | -   | -                                       | -   | -                                       |
| 8 <b>Total cash outflows</b>   | <b>381.62</b>                             | <b>438.87</b>                           | <b>414.28</b>                             | <b>476.42</b>                           | <b>487.15</b>                             | <b>560.23</b>                           | <b>369.39</b>                             | <b>424.80</b>                           |
| <b>Cash inflows</b>  |   |   |   |   |   |   |   |   |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

| Particulars                                | Quarter ended 30 June 2024  |               | Quarter ended 30 September 2024 |               | Quarter ended 31 December 2024 |               | Quarter ended 31 March 2025 |               |
|--|-----------------------------|---------------|---------------------------------|---------------|--------------------------------|---------------|-----------------------------|---------------|
|  | Total                       | Total         | Total                           | Total         | Total                          | Total         | Total                       | Total         |
|  | Unweighted                  | Weighted      | Unweighted                      | Weighted      | Unweighted                     | Weighted      | Unweighted                  | Weighted      |
|  | Value                       | Value         | Value                           | Value         | Value                          | Value         | Value                       | Value         |
|  | (average)                   | (average)     | (average)                       | (average)     | (average)                      | (average)     | (average)                   | (average)     |
| 9 Secured lending                          | -                           | -             | -                               | -             | -                              | -             | -                           | -             |
| 10 Inflows from fully performing exposures | 561.48                      | 421.11        | 576.31                          | 432.23        | 604.17                         | 453.13        | 561.87                      | 421.40        |
| 11 Other cash inflows                      | 308.06                      | 231.04        | 281.13                          | 210.84        | 279.02                         | 209.26        | 230.11                      | 172.58        |
| 12 <b>Total cash inflows</b>               | <b>869.54</b>               | <b>652.15</b> | <b>857.44</b>                   | <b>643.08</b> | <b>883.18</b>                  | <b>662.39</b> | <b>791.98</b>               | <b>593.98</b> |
|  | <b>Total Adjusted Value</b> |               | <b>Total Adjusted Value</b>     |               | <b>Total Adjusted Value</b>    |               | <b>Total Adjusted Value</b> |               |
| 13 Total HQLA                              |                             | 629.49        |                                 | 411.24        |                                | 449.59        |                             | 507.38        |
| 14 Total net cash outflows                 |                             | 109.72        |                                 | 119.11        |                                | 140.06        |                             | 106.20        |
| 15 Liquidity coverage ratio (%)            |                             | 573.74%       |                                 | 345.28%       |                                | 321.01%       |                             | 477.76%       |

### Components of High Quality Liquid Assets (HQLA)

(₹ In Crores)

| Particulars  | Quarter ended 30 June 2024 |               | Quarter ended 30 September 2024 |               | Quarter ended 31 December 2024 |               | Quarter ended 31 March 2025 |               |
|--|----------------------------|---------------|---------------------------------|---------------|--------------------------------|---------------|-----------------------------|---------------|
|  | Total                      | Total         | Total                           | Total         | Total                          | Total         | Total                       | Total         |
|  | Unweighted                 | Weighted      | Unweighted                      | Weighted      | Unweighted                     | Weighted      | Unweighted                  | Weighted      |
|  | Value                      | Value         | Value                           | Value         | Value                          | Value         | Value                       | Value         |
|  | (average)                  | (average)     | (average)                       | (average)     | (average)                      | (average)     | (average)                   | (average)     |
| 1 Assets to be included as HQLA without any haircut                          | 629.49                     | 629.49        | 411.24                          | 411.24        | 449.59                         | 449.59        | 507.38                      | 507.38        |
| 2 Assets to be considered for HQLA with a minimum haircut of 15%             | -                          | -             | -                               | -             | -                              | -             | -                           | -             |
| 3 Assets to be considered for HQLA with a minimum haircut of 50%             | -                          | -             | -                               | -             | -                              | -             | -                           | -             |
| 4 Approved securities held as per the provisions of section 45 IB of RBI Act | -                          | -             | -                               | -             | -                              | -             | -                           | -             |
| <b>Total HQLA</b>  | <b>629.49</b>              | <b>629.49</b> | <b>411.24</b>                   | <b>411.24</b> | <b>449.59</b>                  | <b>449.59</b> | <b>507.38</b>               | <b>507.38</b> |



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## Quarterly liquidity coverage ratio for the year ended 31 March 2024

(₹ In Crores)

| Particulars  | Quarter ended 30 June 2023  |                 | Quarter ended 30 September 2023 |                 | Quarter ended 31 December 2023 |                 | Quarter ended 31 March 2024 |                 |
|--|-----------------------------|-----------------|---------------------------------|-----------------|--------------------------------|-----------------|-----------------------------|-----------------|
|  | Total                       | Total           | Total                           | Total           | Total                          | Total           | Total                       | Total           |
|  | Unweighted                  | Weighted        | Unweighted                      | Weighted        | Unweighted                     | Weighted        | Unweighted                  | Weighted        |
|  | Value (average)             | Value (average) | Value (average)                 | Value (average) | Value (average)                | Value (average) | Value (average)             | Value (average) |
| <b>High Quality Liquid Assets</b>  |                             |                 |                                 |                 |                                |                 |                             |                 |
| 1 Total High Quality Liquid Assets (HQLA)                                      | 481.39                      | 481.39          | 434.53                          | 434.53          | 407.32                         | 407.32          | 560.51                      | 560.51          |
| <b>Cash Outflows</b>   |                             |                 |                                 |                 |                                |                 |                             |                 |
| 2 Deposits (for deposit taking companies)                                      | N/A                         | N/A             | N/A                             | N/A             | N/A                            | N/A             | N/A                         | N/A             |
| 3 Unsecured wholesale funding  | -                           | -               | -                               | -               | -                              | -               | -                           | -               |
| 4 Secured wholesale funding  | 100.59                      | 115.68          | 155.03                          | 178.28          | 273.42                         | 314.43          | 155.09                      | 178.35          |
| 5 Additional requirements, of which  | -                           | -               | -                               | -               | -                              | -               | -                           | -               |
| (i) Outflows related to derivative exposures and other collateral requirements | -                           | -               | -                               | -               | -                              | -               | -                           | -               |
| (ii) Outflows related to loss of funding on debt products                      | -                           | -               | -                               | -               | -                              | -               | -                           | -               |
| (iii) Credit and liquidity facilities  | -                           | -               | -                               | -               | -                              | -               | -                           | -               |
| 6 Other contractual funding obligations  | 203.71                      | 234.27          | 182.96                          | 210.41          | 189.24                         | 217.62          | 201.19                      | 231.37          |
| 7 Other contingent funding obligations   | -                           | -               | -                               | -               | -                              | -               | -                           | -               |
| <b>8 Total cash outflows</b>   | <b>304.31</b>               | <b>349.95</b>   | <b>337.99</b>                   | <b>388.69</b>   | <b>462.65</b>                  | <b>532.05</b>   | <b>356.27</b>               | <b>409.71</b>   |
| <b>Cash inflows</b>  |                             |                 |                                 |                 |                                |                 |                             |                 |
| 9 Secured lending  | -                           | -               | -                               | -               | -                              | -               | -                           | -               |
| 10 Inflows from fully performing exposures                                     | 445.32                      | 333.99          | 417.11                          | 312.83          | 506.73                         | 380.05          | 544.21                      | 408.16          |
| 11 Other cash inflows  | 270.65                      | 202.99          | 322.29                          | 241.72          | 277.40                         | 208.05          | 155.43                      | 116.57          |
| <b>12 Total cash inflows</b>   | <b>715.97</b>               | <b>536.98</b>   | <b>739.40</b>                   | <b>554.55</b>   | <b>784.13</b>                  | <b>588.10</b>   | <b>699.64</b>               | <b>524.73</b>   |
|  | <b>Total Adjusted Value</b> |                 | <b>Total Adjusted Value</b>     |                 | <b>Total Adjusted Value</b>    |                 | <b>Total Adjusted Value</b> |                 |
| 13 Total HQLA  | 481.39                      |                 | 434.53                          |                 | 407.32                         |                 | 560.51                      |                 |
| 14 Total net cash outflows   | 87.49                       |                 | 97.17                           |                 | 133.01                         |                 | 102.43                      |                 |
| 15 Liquidity coverage ratio (%)  | 550.23%                     |                 | 447.18%                         |                 | 306.23%                        |                 | 547.22%                     |                 |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### Components of High Quality Liquid Assets (HQLA)

(₹ In Crores)

| Particulars  | Quarter ended 30 June 2023 |                | Quarter ended 30 September 2023 |                | Quarter ended 31 December 2023 |                | Quarter ended 31 March 2024 |                |
|--|----------------------------|----------------|---------------------------------|----------------|--------------------------------|----------------|-----------------------------|----------------|
|  | Total                      |                | Total                           |                | Total                          |                | Total                       |                |
|  | Unweighted Value           | Weighted Value | Unweighted Value                | Weighted Value | Unweighted Value               | Weighted Value | Unweighted Value            | Weighted Value |
|  | (average)                  | (average)      | (average)                       | (average)      | (average)                      | (average)      | (average)                   | (average)      |
| 1 Assets to be included as HQLA without any haircut                          | 481.39                     | 481.39         | 434.53                          | 434.53         | 407.32                         | 407.32         | 560.51                      | 560.51         |
| 2 Assets to be considered for HQLA with a minimum haircut of 15%             | -                          | -              | -                               | -              | -                              | -              | -                           | -              |
| 3 Assets to be considered for HQLA with a minimum haircut of 50%             | -                          | -              | -                               | -              | -                              | -              | -                           | -              |
| 4 Approved securities held as per the provisions of section 45 IB of RBI Act | -                          | -              | -                               | -              | -                              | -              | -                           | -              |
| <b>Total HQLA</b>  | <b>481.39</b>              | <b>481.39</b>  | <b>434.53</b>                   | <b>434.53</b>  | <b>407.32</b>                  | <b>407.32</b>  | <b>560.51</b>               | <b>560.51</b>  |

The LCR is one of the key parameters closely monitored by RBI to enable a more resilient financial sector. The objective of the LCR is to promote an environment wherein balance sheet carry a strong liquidity for short term cash flow requirements. To ensure strong liquidity NBFCs are required to maintain adequate pool of unencumbered High-Quality Liquid Assets (HQLA) which can be easily converted into cash to meet their stressed liquidity needs for 30 calendar days. The LCR is expected to improve the ability of financial sector to absorb the shocks arising from financial and/or economic stress, thus reducing the risk of spill over from financial sector to real economy.

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The LCR levels for the balance sheet date is derived by arriving the stressed expected cash inflow and outflow for the next calendar month. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%.

HQLA primarily includes cash on hand, bank balances in current accounts and free fixed deposit against which overdraft facility has been availed off net of availed overdraft.

The LCR is computed by dividing the stock of HQLA by its total net cash outflows over one-month stress period. LCR guidelines requires NBFCs to maintain minimum LCR of 60% and 50% as on 31 March 2023 and 31 March 2022 respectively which is gradually required to be increased to 100% by 1 December 2024.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 50 DISCLOSURE IN ACCORDANCE WITH RBI NOTIFICATION NO. RBI/2020-21/17 DOR.NO.BP.BC/4/21.04.048/2020-21 DATED 6 AUGUST 2020 AND RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 DATED 5 MAY 2021 ARE AS FOLLOWS:

(₹ In Crores)

| Type of Restructuring Under CDR Mechanism and Under SME Debt Restructuring Mechanism | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| No. of accounts restructured*  | 84                     | 1                      |
| Amount**   | 3.06                   | 0.45                   |

\* Cumulative no. of accounts restructured having outstanding as on date

\*\* Including MRR portion on assigned loans

Disclosure of restructured accounts as required by the NBFC Master Directions issued by RBI:

For the year ended 31 March 2025

(₹ In Crores)

| Type of Restructuring - others*  |                     | Asset classification |              |          |      |       |
|--|---------------------|----------------------|--------------|----------|------|-------|
|  |                     | Standard             | Sub-Standard | Doubtful | Loss | Total |
| Restructured Accounts as on April 1 of the FY (opening figures)  | No. of borrowers    | -                    | 1            | -        | -    | 1     |
|  | Amount outstanding  | -                    | 0.02         | -        | -    | 0.02  |
|  | Provision thereon # | -                    | *            | -        | -    | *     |
| Fresh restructuring during the year  | No. of borrowers    | -                    | 84           | -        | -    | 84    |
|  | Amount outstanding  | -                    | 3.06         | -        | -    | 3.06  |
|  | Provision thereon # | -                    | 1.40         | -        | -    | 1.40  |
| Upgradations to restructured standard category during the FY   | No. of borrowers    | -                    | -            | -        | -    | -     |
|  | Amount outstanding  | -                    | -            | -        | -    | -     |
|  | Provision thereon # | -                    | -            | -        | -    | -     |
| Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY | No. of borrowers    | -                    | -            | -        | -    | -     |
|  | Amount outstanding  | -                    | -            | -        | -    | -     |
|  | Provision thereon # | -                    | -            | -        | -    | -     |
| Downgradations of restructured accounts during the FY  | No. of borrowers    | -                    | -            | -        | -    | -     |
|  | Amount outstanding  | -                    | -            | -        | -    | -     |
|  | Provision thereon # | -                    | -            | -        | -    | -     |
| Write-offs / Settlements / Recoveries of restructured accounts during the FY   | No. of borrowers    | -                    | 1            | -        | -    | 1     |
|  | Amount outstanding  | -                    | 0.02         | -        | -    | 0.02  |
|  | Provision thereon # | -                    | *            | -        | -    | *     |
| Restructured Accounts as on March 31 of the FY (closing figures)   | No. of borrowers    | -                    | 84           | -        | -    | 84    |
|  | Amount outstanding  | -                    | 3.06         | -        | -    | 3.06  |
|  | Provision thereon # | -                    | 1.40         | -        | -    | 1.40  |

\* Represent amount less than 50,000

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

For the year ended 31 March 2024

(₹ In Crores)

| Type of Restructuring - others*  |                     | Asset classification |              |          |      |        |
|--|---------------------|----------------------|--------------|----------|------|--------|
|  |                     | Standard             | Sub-Standard | Doubtful | Loss | Total  |
| Restructured Accounts as on April 1 of the FY (opening figures)  | No. of borrowers    | -                    | 1            | -        | -    | 1      |
|  | Amount outstanding  | -                    | 0.10         | -        | -    | 0.10   |
|  | Provision thereon # | -                    | 0.03         | -        | -    | 0.03   |
| Fresh restructuring during the year  | No. of borrowers    | -                    | -            | -        | -    | -      |
|  | Amount outstanding  | -                    | -            | -        | -    | -      |
|  | Provision thereon # | -                    | -            | -        | -    | -      |
| Upgradations to restructured standard category during the FY   | No. of borrowers    | -                    | -            | -        | -    | -      |
|  | Amount outstanding  | -                    | -            | -        | -    | -      |
|  | Provision thereon # | -                    | -            | -        | -    | -      |
| Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY | No. of borrowers    | -                    | -            | -        | -    | -      |
|  | Amount outstanding  | -                    | -            | -        | -    | -      |
|  | Provision thereon # | -                    | -            | -        | -    | -      |
| Downgradations of restructured accounts during the FY  | No. of borrowers    | -                    | -            | -        | -    | -      |
|  | Amount outstanding  | -                    | -            | -        | -    | -      |
|  | Provision thereon # | -                    | -            | -        | -    | -      |
| Write-offs / Settlements / Recoveries of restructured accounts during the FY   | No. of borrowers    | -                    | 1            | -        | -    | 1      |
|  | Amount outstanding  | -                    | (0.09)       | -        | -    | (0.09) |
|  | Provision thereon # | -                    | (0.03)       | -        | -    | (0.03) |
| Restructured Accounts as on March 31 of the FY (closing figures)   | No. of borrowers    | -                    | 1            | -        | -    | 1      |
|  | Amount outstanding  | -                    | 0.02         | -        | -    | 0.02   |
|  | Provision thereon # | -                    | *            | -        | -    | *      |

\* Since the disclosure of restructured advance account pertains to section 'Others', the first two sections, namely, 'Under CDR Mechanism' and 'Under SME Debt Restructuring Mechanism' as per format prescribed in the guidelines are not included above.

# Provisions considered as per ECL.

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 51 DISCLOSURES REQUIRED IN TERMS OF ANNEXURE VII OF THE MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DATED 19 OCTOBER 2023 (UPDATED AS ON 21 MARCH 2024) ON DISCLOSURES IN FINANCIAL STATEMENTS- NOTES TO ACCOUNTS OF NBFCs ARE MENTIONED AS BELOW:

### A) Exposure

#### 1) Exposure to real estate sector

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| (₹ In Crores)  |                        |                        |
| i) Direct exposure   |                        |                        |
| a) Residential Mortgages –<br>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.   | -                      | -                      |
| b) Commercial Real Estate –<br>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. | 3.25                   | 11.49                  |
| c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –   |                        |                        |
| i. Residential   | -                      | -                      |
| ii. Commercial Real Estate   | -                      | -                      |
| ii) Indirect Exposure<br>Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.   | 444.10                 | 185.05                 |
| <b>Total Exposure to Real Estate Sector</b>  | <b>447.35</b>          | <b>196.54</b>          |

#### 2) Exposure to capital market

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| (₹ In Crores)   |                        |                        |
| i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt *  | 6.86                   | 6.14                   |
| ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds   | -                      | -                      |
| iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security   | -                      | -                      |
| iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances | -                      | -                      |
| v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers   | -                      | -                      |
| vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources  | -                      | -                      |
| vii) Bridge loans to companies against expected equity flows / issues   | -                      | -                      |
| viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds  | -                      | -                      |
| ix) Financing to stockbrokers for margin trading  | -                      | -                      |
| x) All exposures to Alternative Investment Funds:   |                        |                        |
| (i) Category I  | -                      | -                      |
| (ii) Category II  | -                      | 2.36                   |
| (iii) Category III  | -                      | -                      |
| <b>Total exposure to capital market</b>   | <b>6.86</b>            | <b>8.50</b>            |

\* Excluding investment in unlisted subsidiaries



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 3) Sectoral exposure

(₹ In Crores)

|   | As at 31 March 2025 |               |   | As at 31 March 2024 |               |   |
|---|---------------------|---------------|---|---------------------|---------------|---|
|   | Total Exposure*     | Gross NPAs    | Percentage of Gross NPAs to total exposure in that sector | Total Exposure*     | Gross NPAs    | Percentage of Gross NPAs to total exposure in that sector |
| <b>1. Agriculture and Allied Activities</b> | 1,013.94            | 46.35         | 4.57%   | 1,000.48            | 36.58         | 3.66%   |
| <b>2. Industry</b>                          |                     |               |   |                     |               |   |
| i Manufacturere                             | 588.20              | 19.15         | 3.26%   | 422.36              | 9.18          | 2.17%   |
| <b>Total of Industry</b>                    | <b>588.20</b>       | <b>19.15</b>  | <b>3.26%</b>  | <b>422.36</b>       | <b>9.18</b>   | <b>2.17%</b>  |
| <b>3. Services</b>                          |                     |               |   |                     |               |   |
| i Transport Operators                       | 559.54              | 39.86         | 7.12%   | 498.20              | 28.76         | 5.77%   |
| ii Retail Trade                             | 2,775.20            | 104.44        | 3.76%   | 2,578.00            | 86.48         | 3.35%   |
| iii NBFCs                                   | 4,257.05            | 17.87         | 0.42%   | 3,274.70            | 10.09         | 0.31%   |
| Others                                      | 708.66              | 38.79         | 5.47%   | 843.52              | 31.98         | 3.79%   |
| <b>Total of Services</b>                    | <b>8,300.45</b>     | <b>200.96</b> | <b>2.42%</b>  | <b>7,194.43</b>     | <b>157.30</b> | <b>2.19%</b>  |
| <b>4. Personal Loans</b>                    |                     |               |   |                     |               |   |
| Others                                      | 1,011.26            | 38.82         | 3.84%   | 626.27              | 24.24         | 3.87%   |
| <b>Total of Personal Loans</b>              | <b>1,011.26</b>     | <b>38.82</b>  | <b>3.84%</b>  | <b>626.27</b>       | <b>24.24</b>  | <b>3.87%</b>  |

\* Includes on balance sheet and off-balance sheet exposure

\* The above classification also includes balance of spread receivable on assigned portfolio. (Refer note 10)

## 4) Intra-group exposures

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Total amount of intra-group exposures  | 76.55                  | 61.55                  |
| Total amount of top 20 intra-group exposures   | 76.55                  | 61.55                  |
| Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers | 0.87%                  | 0.83%                  |

## 5) Unhedged foreign currency exposure

(₹ In Crores)

|                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------|------------------------|------------------------|
| Unhedged foreign currency exposure | -                      | -                      |

## B) Related Party Disclosure

| Sr. No. | Nature of relationship (where there are transactions) |   |
|---------|---|---|
| 1       | Subsidiary  | MAS Rural Housing & Mortgage Finance Limited<br>MASFIN Insurance Broking Private Limited  |
| 2       | Directors   | Mr. Kamlesh C. Gandhi (Chairman and managing director)<br>Mrs. Darshana S. Pandya (Director and chief executive officer)<br>Mr. Dhvanil K. Gandhi (Whole Time Director) (appointed w.e.f 14 August 2024)<br>Mr. Vishal Vasu (Independent director)<br>Mr. Umesh Shah (Independent director)<br>Mr. Narayanan Sadanandan (Independent director)<br>Mrs. Daksha Shah (Independent director) (retired w.e.f 13 March 2025)<br>Dr. Barnali Chaklader (Independent woman director) (appointed w.e.f 04 March 2025) |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

| Sr. No. | Nature of relationship (where there are transactions) |   |
|---------|---|---|
| 3       | Relatives of Directors                                | Mr. Kamlesh C. Gandhi (As Executor of will of Late Mr. Mukesh C. Gandhi, relative of KMP) |
|         |   | Mrs. Shweta K. Gandhi (relative of KMP)   |
|         |   | Mr. Saumil D. Pandya (relative of KMP)  |
|         |   | Ms. Dhriti K. Gandhi (relative of KMP)  |
|         |   | Pauravi Umesh Shah (relative of KMP)  |
| 4       | Other related parties                                 | Prarthna Marketing Private Limited (Entity related to Director)                           |
|         |   | Anamaya Capital LLP (Entity related to Director)  |
|         |   | Umesh Rajanikant Shah HUF (Entity related to Director)                                    |

(₹ In Crores)

| Related Party            | Items   | Outstanding at the year end / transaction during the year |                        |
|--------------------------|---|---|------------------------|
|                          |   | As at<br>31 March 2025                                    | As at<br>31 March 2024 |
| Subsidiaries             | Borrowings  | -   | -                      |
|                          | Deposits  | -   | -                      |
|                          | Placement of deposits   | -   | -                      |
|                          | Advances  | -   | -                      |
|                          | Investments (Maximum during the year 31 <sup>st</sup> March 2025 :76.55 and 31 <sup>st</sup> March 2024 :61.55) | 76.55   | 61.55                  |
|                          | Purchase of fixed/other assets  | -   | -                      |
|                          | Sale of fixed/other assets  | -   | -                      |
|                          | Interest paid   | -   | -                      |
|                          | Interest received   | -   | -                      |
|                          | Dividend paid   | -   | -                      |
|                          | Expenditure reimbursed  | 0.02  | 1.04                   |
|                          | Others  | 1.66  | 1.50                   |
|                          |   | <b>78.23</b>  | <b>64.09</b>           |
| Key Management Personnel | Borrowings  | -   | -                      |
|                          | Deposits  | -   | -                      |
|                          | Placement of deposits   | -   | -                      |
|                          | Advances  | -   | -                      |
|                          | Investments   | -   | -                      |
|                          | Purchase of fixed/other assets  | -   | -                      |
|                          | Sale of fixed/other assets  | -   | -                      |
|                          | Interest paid   | -   | -                      |
|                          | Interest received   | -   | -                      |
|                          | Remuneration (including bonus)  | 0.70  | 0.59                   |
|                          | Dividend paid   | *   | *                      |
|                          | Others  | -   | -                      |
|                          |   | <b>0.70</b>   | <b>0.59</b>            |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

| Related Party          | Items   | Outstanding at the year end / transaction during the year |                        |
|------------------------|---|---|------------------------|
|                        |   | As at<br>31 March 2025                                    | As at<br>31 March 2024 |
| Directors              | Borrowings  | -   | -                      |
|                        | Deposits  | -   | -                      |
|                        | Placement of deposits                                 | -   | -                      |
|                        | Advances  | -   | -                      |
|                        | Investments   | -   | -                      |
|                        | Purchase of fixed/other assets                        | -   | -                      |
|                        | Sale of fixed/other assets                            | -   | -                      |
|                        | Interest paid   | -   | -                      |
|                        | Interest received                                     | -   | -                      |
|                        | Remuneration (including bonus) (Net of Cross Charges) | 9.42  | 7.19                   |
|                        | Dividend paid   | 2.90  | 3.09                   |
|                        | Sitting fees  | 0.30  | 0.34                   |
|                        | Others  | 0.03  | -                      |
|                        |   | <b>12.65</b>  | <b>10.62</b>           |
| Relatives of Director  | Borrowings  | -   | -                      |
|                        | Deposits  | -   | -                      |
|                        | Placement of deposits                                 | -   | -                      |
|                        | Advances  | -   | -                      |
|                        | Investments   | -   | -                      |
|                        | Purchase of fixed/other assets                        | -   | -                      |
|                        | Sale of fixed/other assets                            | -   | -                      |
|                        | Interest paid   | -   | -                      |
|                        | Interest received                                     | -   | -                      |
|                        | Remuneration (including bonus)                        | 1.00  | 1.22                   |
|                        | Dividend paid   | 14.73   | 15.79                  |
|                        | Others  | -   | -                      |
|                        |   | <b>15.73</b>  | <b>17.01</b>           |
| Others Related Parties | Borrowings  | -   | -                      |
|                        | Deposits  | -   | -                      |
|                        | Placement of deposits                                 | -   | -                      |
|                        | Advances  | -   | -                      |
|                        | Investments   | -   | -                      |
|                        | Purchase of fixed/other assets                        | -   | -                      |
|                        | Sale of fixed/other assets                            | -   | -                      |
|                        | Interest paid   | -   | -                      |
|                        | Interest received                                     | -   | -                      |
|                        | Dividend paid   | 0.64  | 0.69                   |
|                        | Others  | -   | -                      |
|                        |   | <b>0.64</b>   | <b>0.69</b>            |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

(₹ In Crores)

| Related Party  | Items   | Outstanding at the year end / transaction during the year |                        |
|----------------|---|---|------------------------|
|                |   | As at<br>31 March 2025                                    | As at<br>31 March 2024 |
| Total of above | Borrowings  | -   | -                      |
|                | Deposits  | -   | -                      |
|                | Placement of deposits   | -   | -                      |
|                | Advances  | -   | -                      |
|                | Investments (Maximum during the year 31 <sup>st</sup> March 2025 :76.55 and 31 <sup>st</sup> March 2024 :61.55) | 76.55   | 61.55                  |
|                | Purchase of fixed/other assets  | -   | -                      |
|                | Sale of fixed/other assets  | -   | -                      |
|                | Interest paid   | -   | -                      |
|                | Interest received   | -   | -                      |
|                | Remuneration (including bonus)  | 11.12   | 9.00                   |
|                | Dividend paid   | 18.27   | 19.57                  |
|                | Sitting fees  | 0.30  | 0.34                   |
|                | Expenditure reimbursed  | 0.02  | 1.04                   |
|                | Others  | 1.69  | 1.50                   |
|                |   | 107.95  | 93.00                  |

## 1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

(₹ In Crores)

| Sr. No. | Particulars   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------|---|------------------------|------------------------|
|         | <b>Complaints received by the NBFC from its customers (refer note below)</b>                                |                        |                        |
| 1.      | Number of complaints pending at beginning of the year   | 8                      | 14                     |
| 2.      | Number of complaints received during the year   | 1,295                  | 2,729                  |
| 3.      | Number of complaints disposed during the year   | 1,267                  | 2,735                  |
| 3.1     | Of which, number of complaints rejected by the NBFC   | -                      | -                      |
| 4.      | Number of complaints pending at the end of the year   | 36                     | 8                      |
|         | <b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>                                |                        |                        |
| 5       | Number of maintainable complaints received by the NBFC from Office of Ombudsman                             | 117                    | 76                     |
| 5.1     | Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman                            | 117                    | 76                     |
| 5.2     | Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman | 2                      | Nil                    |
| 5.3     | Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC         | Nil                    | Nil                    |
| 6       | Number of Awards unimplemented within the stipulated time (other than those appealed)                       | Nil                    | Nil                    |

**Note:** This includes total complaint received by NBFC from customers (including Partner's) directly and from the office of Ombudsman.

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 2) Grounds of complaints received by the NBFCs from customers

| Grounds of complaints,<br>(i.e. complaints relating to) | Number of<br>complaints<br>pending at the<br>beginning of the<br>year | Number of<br>complaints<br>received<br>during the<br>year | % increase/<br>(decrease) in<br>the number of<br>complaints received<br>over the previous<br>year | Number of<br>complaints<br>pending at the<br>end of the year | Of 5, number<br>of complaints<br>pending<br>beyond 30<br>days |
|---|---|---|---|--|---|
| 1   | 2   | 3   | 4   | 5  | 6   |
| <b>As at 31 March 2025</b>                              |   |   |   |  |   |
| Bureau Updation Issue                                   | 4   | 141   | (73%)   | 5  |   |
| Cibil query   | -   | 525   | 100%  | 17   |   |
| Collection Calls  | -   | 146   | (91%)   | 4  |   |
| Disb / Payment related                                  | 1   | 33  | (80%)   | 1  | 1   |
| EMI and Tenure  | 1   | 139   | 124%  | 4  |   |
| FRAUD Reported  | -   | 25  | 100%  | -  |   |
| Loan Documents related                                  | -   | 42  | 2000%   | 3  |   |
| Loan Related  | -   | 27  | 93%   | -  |   |
| Loan Settlement   | -   | 48  | (14%)   | 1  |   |
| Transparency and disclosures                            | -   | 54  | 1700%   | 1  |   |
| Product Related   | 2   | 38  | (55%)   | -  |   |
| Service Related/Staff Related                           | -   | 22  | 100%  | -  |   |
| Others  | -   | 55  | (55%)   | -  |   |
| <b>Total</b>  | <b>8</b>  | <b>1,295</b>  | <b>(53%)</b>  | <b>36</b>  | <b>1</b>  |
| <b>As at 31 March 2024</b>                              |   |   |   |  |   |
| Bureau Updation Issue                                   | 3   | 526   | 129%  | 4  | -   |
| Collection Calls  | 3   | 1,698   | 286%  | -  | -   |
| Disb / Payment related                                  | -   | 162   | 23%   | 1  | -   |
| EMI and Tenure  | 4   | 62  | (76%)   | 1  | 1   |
| Loan Documents related                                  | 2   | 2   | (93%)   | -  | -   |
| Loan Related  | 1   | 14  | (67%)   | -  | -   |
| Loan Settlement   | -   | 56  | 600%  | -  | -   |
| Transparency and disclosures                            | -   | 3   | (40%)   | -  | -   |
| Product Related   | 1   | 84  | 190%  | 2  | 2   |
| Others  | -   | 122   | 481%  | -  | -   |
| <b>Total</b>  | <b>14</b>   | <b>2,729</b>  | <b>129%</b>   | <b>8</b>   | <b>3</b>  |



# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 52 DISCLOSURES REQUIRED IN TERMS OF ANNEXURE VIII OF THE MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DATED 19 OCTOBER 2023 (UPDATED AS ON 21 MARCH 2024) ON SCHEDULE TO THE BALANCE SHEET OF AN NBFC ARE MENTIONED AS BELOW:

### Liabilities side :

#### 52.1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid

|   |   | (₹ In Crores)            |                |
|---|---|--------------------------|----------------|
|   |   | Year ended 31 March 2025 |                |
|   |   | Amount outstanding       | Amount overdue |
| (a) Debentures  | : Secured                                 | 1,479.32                 | -              |
|   | : Unsecured                               | 310.34                   | -              |
| (other than falling within the meaning of Public deposits*) |   |                          |                |
| (b) Deferred credits  |   | -                        | -              |
| (c) Term loans  |   | 5,697.41                 | -              |
| (d) Inter-corporate loans and borrowing                     |   | -                        | -              |
| (e) Commercial paper  |   | -                        | -              |
| (f) Other loans:  |   |                          |                |
|   | From banks                                | 1,292.65                 | -              |
|   | From a company                            | -                        | -              |
|   | Security deposits                         | -                        | -              |
|   | Advances received against loan agreements | -                        | -              |
| *Please see note 1 below                                    |   |                          |                |

#### 52.2 Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)

|  |   |   |
|--|---|---|
| (a) In the form of unsecured debentures  | - | - |
| (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | - | - |
| (c) Other public deposits  | - | - |

\*Please see note 1 below

### Assets side:

#### 52.3 Break-up of loans and advances including bills receivables (other than those included in (4) below)

|               |  | (₹ In Crores)      |
|---------------|--|--------------------|
|               |  | Amount outstanding |
| (a) Secured   |  | 6,062.24           |
| (b) Unsecured |  | 2,552.22           |

#### 52.4 Break up of leased assets and stock on hire and other assets counting towards asset financing activities

|  |  | (₹ In Crores)      |
|--|--|--------------------|
|  |  | Amount outstanding |
| (i) Lease assets including lease rentals under sundry debtors:   |  |                    |
| (a) Financial lease  |  | NA                 |
| (b) Operating lease  |  | NA                 |
| (ii) Stock on hire including hire charges under sundry debtors : |  |                    |
| (a) Assets on hire   |  | NA                 |
| (b) Repossessed assets   |  | NA                 |
| (iii) Other loans counting towards asset financing activities    |  |                    |
| (a) Loans where assets have been repossessed                     |  | 30.45              |
| (b) Loans other than (a) above                                   |  | NA                 |

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 52.5 Break-up of investments :

|  | (₹ In Crores)      |
|--|--------------------|
|  | Amount outstanding |
| Current investments :  |                    |
| 1 Quoted :   |                    |
| (i) Shares : (a) Equity  | -                  |
| (b) Preference   | -                  |
| (ii) Debentures and bonds  | 317.48             |
| (iii) Units of mutual funds  | -                  |
| (iv) Government securities   | -                  |
| (v) Others (please specify)  | -                  |
| 2 Unquoted :   |                    |
| (i) Shares : (a) Equity  | -                  |
| (b) Preference   | -                  |
| (ii) Debentures and bonds  | 10.43              |
| (iii) Units of mutual funds  | -                  |
| (iv) Government securities   | -                  |
| (v) Others (Alternate investment fund and pass through certificates) | 733.88             |
| Long term investments :  |                    |
| 1 Quoted :   |                    |
| (i) Shares : (a) Equity  | -                  |
| (b) Preference   | -                  |
| (ii) Debentures and bonds  | 260.86             |
| (iii) Units of mutual funds  | 6.86               |
| (iv) Government securities   | -                  |
| (v) Others (Alternate investment fund and pass through certificates) | 187.14             |
| 2 Unquoted :   |                    |
| (i) Shares : (a) Equity  | 53.43              |
| (b) Preference   | 16.66              |
| (ii) Debentures and bonds  | 0.59               |
| (iii) Units of mutual funds  | -                  |
| (iv) Government securities   | -                  |
| (v) Others (refer note 9)  | 6.46               |

### 52.6 Borrower group-wise classification of assets financed as in 52.3 and 52.4 above:

|                                 | (₹ In Crores)                     |
|---------------------------------|-----------------------------------|
|                                 | Amount outstanding                |
| Please see Note 2 below         | Amount net of provisions          |
| Category                        | Secured Unsecured Total           |
| 1. Related parties **           |                                   |
| (a) Subsidiaries                | - - -                             |
| (b) Companies in the same group | - - -                             |
| (c) Other related parties       | - - -                             |
| 2. Other than related parties   | 5,998.29 2,464.05 8,462.34        |
| <b>Total</b>                    | <b>5,998.29 2,464.05 8,462.34</b> |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

## 52.7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Please see note 3 below

| (₹ In Crores)                   |  |                                |
|---------------------------------|--|--------------------------------|
| Category                        | Market value / break up or fair value or NAV | Book value (net of provisions) |
| 1. Related parties **           |  |                                |
| (a) Subsidiaries                | 95.28  | 76.55                          |
| (b) Companies in the same group | -  | -                              |
| (c) Other related parties       | -  | -                              |
| 2. Other than related parties   | 1,517.24                                     | 1,517.24                       |
| <b>Total</b>                    | <b>1,612.52</b>                              | <b>1,593.79</b>                |

\*\* As per Ind AS issued by Ministry Of Corporate Affairs (refer note 3 below)

**Note:** Subsidiary company being unlisted, value is derived based upon the net asset value as shown in the subsidiary company balance sheet as on 31 March 2024.

## 52.8 Other information

| (₹ In Crores)                                 |                    |
|---|--------------------|
|   | Amount outstanding |
| (i) Gross non-performing assets               |                    |
| (a) Related parties                           | -                  |
| (b) Other than related parties                | 247.96             |
| (ii) Net non-performing assets                |                    |
| (a) Related parties                           | -                  |
| (b) Other than related parties                | 145.36             |
| (iii) Assets acquired in satisfaction of debt | -                  |

### Notes:

- As defined in point xxvii of paragraph 3 of Chapter - II of these Directions.
- Provisioning norms shall be applicable as prescribed in these Directions.
- All Ind AS issued by MCA are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term (amortised cost in the case of Ind AS) or current (at fair value in the case of Ind AS) in (5) above.

## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 53 DISCLOSURES REQUIRED IN TERMS OF ANNEXURE II OF THE MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DATED 19 OCTOBER 2023 (UPDATED AS ON 21 MARCH 2024) ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS BY NBFC ARE MENTIONED AS BELOW:

As at 31 March 2025

(₹ In Crores)

| 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)  |
| <b>Performing assets</b>  |  |                                     |   |                     |   |  |
| Standard  | Stage 1                                | 8,308.51                            | 34.01   | 8,274.50            | 32.70                                   | 1.31   |
|   | Stage 2                                | 148.37                              | 33.12   | 115.25              | 0.57                                    | 32.55  |
| <b>Subtotal</b>   |  | <b>8,456.88</b>                     | <b>67.13</b>  | <b>8,389.75</b>     | <b>33.27</b>                            | <b>33.86</b>   |
| <b>Non-performing assets ("NPA")</b>  |  |                                     |   |                     |   |  |
| Substandard   | Stage 3                                | 247.96                              | 102.60  | 145.36              | 25.60                                   | 77.00  |
| Doubtful - up to 1 year   | Stage 3                                | -                                   | -   | -                   | -                                       | -  |
| 1 to 3 years  | Stage 3                                | -                                   | -   | -                   | -                                       | -  |
| More than 3 years   | Stage 3                                | -                                   | -   | -                   | -                                       | -  |
| <b>Subtotal for doubtful</b>  |  | <b>-</b>                            | <b>-</b>  | <b>-</b>            | <b>-</b>                                | <b>-</b>   |
| Loss  | Stage 3                                | -                                   | -   | -                   | -                                       | -  |
| <b>Subtotal for NPA</b>   |  | <b>247.96</b>                       | <b>102.60</b>   | <b>145.36</b>       | <b>25.60</b>                            | <b>77.00</b>   |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning ("IRACP") norms | Stage 1                                | -                                   | -   | -                   | -                                       | -  |
|   | Stage 2                                | -                                   | -   | -                   | -                                       | -  |
|   | Stage 3                                | -                                   | -   | -                   | -                                       | -  |
| <b>Subtotal</b>   |  | <b>-</b>                            | <b>-</b>  | <b>-</b>            | <b>-</b>                                | <b>-</b>   |
| <b>Total</b>  | Stage 1                                | 8,308.51                            | 34.01   | 8,274.50            | 32.70                                   | 1.31   |
|   | Stage 2                                | 148.37                              | 33.12   | 115.25              | 0.57                                    | 32.55  |
|   | Stage 3                                | 247.96                              | 102.60  | 145.36              | 25.60                                   | 77.00  |
| <b>Grand total</b>  |  | <b>8,704.84</b>                     | <b>169.72</b>   | <b>8,535.12</b>     | <b>58.87</b>                            | <b>110.85</b>  |

As at 31 March 2024

(₹ In Crores)

| 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)  |

# Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

|   |         |                 |               |                 |              |              |
|---|---------|-----------------|---------------|-----------------|--------------|--------------|
| <b>Performing assets</b>  |         |                 |               |                 |              |              |
| Standard  | Stage 1 | 7,026.21        | 29.21         | 6,997.00        | 27.85        | 1.36         |
|   | Stage 2 | 114.62          | 26.06         | 88.56           | 0.45         | 25.61        |
| <b>Subtotal</b>   |         | <b>7,140.83</b> | <b>55.26</b>  | <b>7,085.57</b> | <b>28.30</b> | <b>26.96</b> |
| <b>Non-performing assets ("NPA")</b>  |         |                 |               |                 |              |              |
| Substandard   | Stage 3 | 190.58          | 74.17         | 116.41          | 19.45        | 54.72        |
| Doubtful - up to 1 year   | Stage 3 | -               | -             | -               | -            | -            |
| 1 to 3 years  | Stage 3 | -               | -             | -               | -            | -            |
| More than 3 years   | Stage 3 | -               | -             | -               | -            | -            |
| <b>Subtotal for doubtful</b>  |         | <b>-</b>        | <b>-</b>      | <b>-</b>        | <b>-</b>     | <b>-</b>     |
| Loss  | Stage 3 | -               | -             | -               | -            | -            |
| <b>Subtotal for NPA</b>   |         | <b>190.58</b>   | <b>74.17</b>  | <b>116.41</b>   | <b>19.45</b> | <b>54.72</b> |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning ("IRACP") norms | Stage 1 | -               | -             | -               | -            | -            |
|   | Stage 2 | -               | -             | -               | -            | -            |
|   | Stage 3 | -               | -             | -               | -            | -            |
| <b>Subtotal</b>   |         | <b>-</b>        | <b>-</b>      | <b>-</b>        | <b>-</b>     | <b>-</b>     |
| <b>Total</b>  | Stage 1 | <b>7,026.21</b> | <b>29.21</b>  | <b>6,997.00</b> | <b>27.85</b> | <b>1.36</b>  |
|   | Stage 2 | <b>114.62</b>   | <b>26.06</b>  | <b>88.56</b>    | <b>0.45</b>  | <b>25.61</b> |
|   | Stage 3 | <b>190.58</b>   | <b>74.17</b>  | <b>116.41</b>   | <b>19.45</b> | <b>54.72</b> |
| <b>Grand total</b>  |         | <b>7,331.41</b> | <b>129.44</b> | <b>7,201.97</b> | <b>47.75</b> | <b>81.69</b> |

\* Computed on the value as per the IRACP norms.

The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard assets provisioning), as at 31 March 2025 and 31 March 2024 and accordingly, no amount is required to be transferred to impairment reserve.

The disclosure requirement of the policy for sales out of amortised cost business model portfolios of the Company is not applicable to the Company.

## 54 THE DISCLOSURES AS REQUIRED BY THE MASTER DIRECTION - MONITORING OF FRAUDS IN NBFCS ISSUED BY RBI DATED 29 SEPTEMBER 2016

There was NO instance of fraud by customer reported during the year ended 31 March 2025. (Previous year 31 March 2024 10 instances : ₹ 0.87).

**55** The Company has complied with the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications". On 15 February 2022, RBI allowed deferment till 30 September 2022 of Para 10 of this circular pertaining to upgrade of Non performing accounts. However, the Company has not opted for this deferment.



## Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2025

### 56 DISCLOSURES REQUIRED IN TERMS OF ANNEXURE XI OF THE MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DATED 19 OCTOBER 2023 (UPDATED AS ON 21 MARCH 2024) ON LOANS TO DIRECTORS, SENIOR OFFICERS AND RELATIVES OF DIRECTORS BY NBFC ARE MENTIONED AS BELOW:

#### Loans to Directors, Senior Officers and relatives of Directors

| Particulars  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Directors and their relatives                          | -                      | -                      |
| Entities associated with directors and their relatives | -                      | -                      |
| Senior Officers and their relatives                    | 0.15                   | -                      |

57 Figures of previous year has been regrouped / reclassified, wherever necessary, to correspond with the figures of the current year.

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

Ahmedabad  
30 April 2025

**Darshana S. Pandya**

(Director & Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad  
30 April 2025

**For and on behalf of the Board of Directors of**

**MAS Financial Services Limited**

**Kamlesh C. Gandhi**

(Chairman & Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)

# Independent Auditor's Report

## TO THE MEMBERS OF MAS Financial Services Limited

### Report on the Audit of the Consolidated Financial Statements

#### OPINION

We have audited the accompanying consolidated financial statements of **MAS Financial Services Limited** ("the Holding Company") and its subsidiary (the Holding Company, its subsidiary, joint ventures and associate together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and the notes to the consolidated financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with 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 consolidated state of affairs of the Group as at March 31, 2025, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### BASIS FOR OPINION

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

#### KEY AUDIT MATTERS

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

| Sr No. | Key Audit Matters  | Auditor's Response   |
|--------|--|--|
| 1      | <p><b>Impairment of Loans:</b></p> <p>Charge: INR 41.61 Crore for the year ended March 31, 2025</p> <p>Provision: INR 176.91 Crore as at March 31, 2025</p> <p>Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are:</p> <ul style="list-style-type: none"> <li>Data inputs - The application 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.</li> <li>Model estimations - Inherently judgmental models are used to estimate ECL which involves determining</li> </ul> | <p><b>Principal Audit Procedures</b></p> <p>Procedures performed by us have been enumerated herein below:</p> <p>We performed end to end process walkthroughs to identify the key systems, applications and controls used in ECL processes. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in ECL process.</p> <p>Key aspects of our controls testing involved following:</p> <ul style="list-style-type: none"> <li>Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models.</li> <li>Testing the 'Governance Framework' controls over validation, implementation and model monitoring in line with Reserve Bank of India guidance.</li> </ul> |

| Sr No.              | Key Audit Matters  | Auditor's Response   |
|---------------------|--|--|
|                     | <p>Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.</p> <ul style="list-style-type: none"> <li>Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment.</li> <li>Qualitative adjustments – Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. They represent approximately 11.81% of ECL balances as at March 31, 2025. These adjustments are inherently uncertain and significant management judgement is involved considering internal assessment of emerging forward looking economic factors and related uncertainties. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the Standalone Financial Statements, we have considered this as a key audit matter.</li> </ul> | <ul style="list-style-type: none"> <li>Testing the design and operating effectiveness of the key controls over the application of the staging criteria.</li> <li>Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights.</li> <li>Testing management's controls over authorisation and calculation of post model adjustments and management overlays.</li> <li>Testing management's controls on compliance with Ind AS 109 disclosures related to ECL.</li> <li>Testing key controls operating over the information technology system in relation to loan impairment including system access and system change management, program development and computer operations.</li> </ul> <p><b>Test of details:</b></p> <p>Key aspects of our testing included:</p> <ul style="list-style-type: none"> <li>Sample testing over key inputs, data and assumptions impacting ECL calculations to assess completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>Model calculations testing through re-performance, where possible.</li> <li>Test of details of post model adjustments, considering the size and complexity of management overlays, to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data.</li> </ul> |
| <b>Disclosures:</b> | <p>The disclosures 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.</p>   | <p>Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining ECL. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.</p>  |

| Sr No. | Key Audit Matters  | Auditor's Response   |
|--------|--|--|
| 2      | <p><b>Information Technology:</b><br/>IT Systems and controls</p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.</p> | <p>In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> <li>Review of the report of IS Audit carried during the year by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>Our other processes include: <ul style="list-style-type: none"> <li>selectively recomputing interest calculations and maturity dates.</li> <li>Selectively re-evaluating masters update, interface with resultant reports.</li> <li>Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system).</li> <li>Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> </ul> </li> </ul> <p>Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases.</p> |

## INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The reports are expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that

are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company which companies

are incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibility in this regard are further described in para (a) of the section titled "Other Matter" in this audit report.

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

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



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

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

## OTHER MATTERS

- a) We did not audit the financial statements of 2 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 611.19 Crores as at March 31, 2025, total revenues of Rs. 78.79 Crores for the year ended March 31, 2025, total net profit after tax of Rs. 9.31 Crores for the year ended March 31, 2025, total comprehensive income of Rs. 10.20 Crores for the year ended March 31, 2025, and net cash outflows of Rs. 23.97 Crores for the year ended March 31, 2025, as considered in the Statement. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.
- b) The comparative financial information of the company for the year ended March 31, 2024, were audited by predecessor auditors who expressed an unmodified opinion thereon vide their report dated April 24, 2024.

Our conclusion is not modified in respect of this matters.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept

so far as it appears from our examination of those books.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and its subsidiary and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Holding Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
  - ii. The Group did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.



- iii. There have been no amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.
  - iv. 1 The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary incorporated in India 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 Holding Company or its subsidiary company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - 2 The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its subsidiary incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - 3 Based on the audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.
  - v. As stated in Note no. 21.2 of the Standalone Financial Statements
    - The final dividend proposed in the previous year, declared and paid during the year by the Company is in compliance with section 123 of the Act.
    - The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.
  - vi. Based on our examination which included test checks and that performed by the respective auditors of a joint venture which is a company incorporated in India whose financial statements have been audited under the Act, the company, subsidiaries, associates and joint ventures have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred joint venture did not come across any instance of audit trail feature being tampered with.
- Additionally, the audit trail has been preserved by the Group as per the statutory requirements for record retention. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Sorab S. Engineer & Co.**

Chartered Accountants  
Firm Registration No. 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No. 100892  
UDIN: 25100892BMIFKZ5538

Ahmedabad  
April 30, 2025

## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of MAS Financial Services Limited of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of MAS Financial Services Limited (“the Holding Company”) and its subsidiary company incorporated in India, for the year ended March 31, 2025, in conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company.

### MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Holding Company, its subsidiary company, which are company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, and its subsidiary companies, which are companies incorporated in India.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

## OPINION

In our opinion the Holding Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on “the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

## OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal

financial controls with reference to consolidated financial statements in so far as it relates to 2 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Sorab S. Engineer & Co.**

Chartered Accountants  
Firm's Registration No. 110417W

**CA. Chokshi Shreyas B.**

Partner  
Membership No.100892  
UDIN: 25100892BMIFKZ5538

Ahmedabad

April 30, 2025

## Annexure “B” to the Independent Auditor’s Report

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

xxi. According to the information and explanations given to us, there are no qualifications or adverse remarks in the Companies (Auditor’s Report) Order (CARO) reports of the Companies included in the consolidated financial statements.

Ahmedabad  
April 30, 2025

For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm’s Registration No. 110417W

**CA. Chokshi Shreyas B.**  
Partner  
Membership No.100892  
UDIN: 25100892BMIFKZ5538

# Consolidated Balance Sheet

As at 31 March 2025

(₹ in Crores)

|   | Note no. | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|----------|------------------------|------------------------|
| <b>ASSETS</b>   |          |                        |                        |
| <b>Financial assets</b>   |          |                        |                        |
| Cash and cash equivalents   | 5        | 448.65                 | 212.67                 |
| Bank balance other than cash and cash equivalents   | 6        | 692.76                 | 665.83                 |
| Trade receivables   | 7        | 4.67                   | 6.54                   |
| Loans   | 8        | 9,174.09               | 7,719.44               |
| Investments   | 9        | 1,525.99               | 726.16                 |
| Other financial assets  | 10       | 166.11                 | 78.86                  |
| <b>Total financial assets</b>   |          | <b>12,012.27</b>       | <b>9,409.50</b>        |
| <b>Non-financial assets</b>   |          |                        |                        |
| Income tax assets (net)   | 30       | 1.45                   | 2.52                   |
| Deferred tax assets (net)   | 30       | 7.40                   | 11.85                  |
| Property, plant and equipment   | 11(a)    | 21.32                  | 21.23                  |
| Capital work-in-progress  | 11(d)    | 91.48                  | 69.80                  |
| Right-of-use asset  | 11(c)    | 3.56                   | 3.19                   |
| Intangible assets under development   | 11(e)    | 0.02                   | 0.24                   |
| Other intangible assets   | 11(b)    | 2.54                   | 1.01                   |
| Other non-financial assets  | 12       | 58.97                  | 28.00                  |
| <b>Total non-financial assets</b>   |          | <b>186.74</b>          | <b>137.84</b>          |
| <b>Total assets</b>   |          | <b>12,199.01</b>       | <b>9,547.34</b>        |
| <b>LIABILITIES AND EQUITY</b>   |          |                        |                        |
| <b>LIABILITIES</b>  |          |                        |                        |
| <b>Financial liabilities</b>  |          |                        |                        |
| Payables  | 13       |                        |                        |
| (I) Trade payables  |          |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       |          | 0.05                   | 0.03                   |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 40.20                  | 21.12                  |
| (II) Other payables   |          |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       |          | -                      | -                      |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 9.54                   | 1.89                   |
| Debt securities   | 14       | 1,463.64               | 626.86                 |
| Borrowings (other than debt securities)   | 15       | 7,388.43               | 6,496.88               |
| Subordinated liabilities  | 16       | 303.65                 | 302.11                 |
| Other financial liabilities   | 17       | 315.66                 | 258.36                 |
| <b>Total financial liabilities</b>  |          | <b>9,521.17</b>        | <b>7,707.25</b>        |
| <b>Non-financial liabilities</b>  |          |                        |                        |
| Current tax liabilities (net)   | 30       | 11.38                  | 4.70                   |
| Provisions  | 18       | 9.23                   | 10.11                  |
| Other non-financial liabilities   | 19       | 6.76                   | 6.71                   |
| <b>Total non-financial liabilities</b>  |          | <b>27.37</b>           | <b>21.52</b>           |
| <b>Total liabilities</b>  |          | <b>9,548.54</b>        | <b>7,728.77</b>        |
| <b>EQUITY</b>   |          |                        |                        |
| Equity share capital  | 20       | 181.45                 | 163.99                 |
| Other equity  | 21       | 2,427.58               | 1,618.72               |
| <b>Equity attributable to the owners of the Holding Company</b>                             |          | <b>2,609.03</b>        | <b>1,782.71</b>        |
| <b>Non-controlling interest</b>   |          | <b>41.44</b>           | <b>35.86</b>           |
| <b>Total equity</b>   |          | <b>2,650.47</b>        | <b>1,818.57</b>        |
| <b>Total liabilities and equity</b>   |          | <b>12,199.01</b>       | <b>9,547.34</b>        |

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

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

**Darshana S. Pandya**

(Director & Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad

30 April 2025

Ahmedabad

30 April 2025

**For and on behalf of the Board of Directors of**

**MAS Financial Services Limited**

**Kamlesh C. Gandhi**

(Chairman & Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2025

(₹ in Crores)

|  | Note no. | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|----------|-----------------------------|-----------------------------|
| <b>I. Revenue from operations</b>                                  |          |                             |                             |
| Interest income  | 22       | 1,359.25                    | 1,077.09                    |
| Gain on assignment of financial assets                             |          | 149.38                      | 122.32                      |
| Fees and commission income   |          | 83.77                       | 71.19                       |
| Net gain on fair value changes                                     | 23       | 3.57                        | 13.27                       |
| <b>Total revenue from operations</b>                               |          | <b>1,595.97</b>             | <b>1,283.87</b>             |
| Other income   | 24       | 4.18                        | 6.52                        |
| <b>Total income</b>  |          | <b>1,600.15</b>             | <b>1,290.39</b>             |
| <b>II. Expenses</b>  |          |                             |                             |
| Finance costs  | 25       | 762.80                      | 646.71                      |
| Fees and commission expense  |          | 67.50                       | 48.80                       |
| Impairment on financial assets                                     | 26       | 128.38                      | 90.61                       |
| Employee benefits expenses   | 27       | 134.06                      | 100.45                      |
| Depreciation, amortization and impairment                          | 28       | 5.60                        | 4.29                        |
| Others expenses  | 29       | 80.80                       | 59.86                       |
| <b>Total expenses</b>  |          | <b>1,179.14</b>             | <b>950.72</b>               |
| <b>Profit before exceptional items and tax (I - II)</b>            |          | <b>421.01</b>               | <b>339.67</b>               |
| Exceptional items  |          | -                           | -                           |
| <b>III. Profit before tax</b>                                      |          | <b>421.01</b>               | <b>339.67</b>               |
| <b>IV. Tax expense:</b>  |          |                             |                             |
| Current tax  | 30       | 106.85                      | 83.06                       |
| Short / (Excess) provision for tax relating to prior years         | 30       | 0.84                        | (0.21)                      |
| <b>Net current tax expense</b>                                     |          | <b>107.69</b>               | <b>82.85</b>                |
| Deferred tax expense / (credit)                                    | 30       | (0.66)                      | 2.81                        |
| <b>Net tax expense</b>   |          | <b>107.03</b>               | <b>85.66</b>                |
| <b>V. Profit for the year (III - IV)</b>                           |          | <b>313.98</b>               | <b>254.01</b>               |
| <b>VI. Other comprehensive income</b>                              |          |                             |                             |
| (A) Items that will not be reclassified to profit or loss:         |          |                             |                             |
| Re-measurement of the defined benefit liabilities                  |          | (0.76)                      | (0.51)                      |
| Income tax relating to above item                                  |          | 0.19                        | 0.13                        |
| <b>Total (A)</b>   |          | <b>(0.57)</b>               | <b>(0.38)</b>               |
| (B) Items that will be reclassified to profit or loss:             |          |                             |                             |
| Loans and advances through other comprehensive Income              |          | 21.04                       | 19.08                       |
| Income tax relating to above item                                  |          | (5.30)                      | (4.80)                      |
| <b>Total (B)</b>   |          | <b>15.74</b>                | <b>14.28</b>                |
| <b>Other comprehensive income (A+B)</b>                            |          | <b>15.17</b>                | <b>13.90</b>                |
| <b>VII. Total comprehensive income for the year (V + VI)</b>       |          | <b>329.15</b>               | <b>267.91</b>               |
| <b>VIII. Profit for the year attributable to</b>                   |          |                             |                             |
| Owners of the Holding Company                                      |          | 310.38                      | 251.05                      |
| Non-controlling interest   |          | 3.60                        | 2.96                        |
| <b>IX. Other comprehensive income for the year attributable to</b> |          |                             |                             |
| Owners of the Holding Company                                      |          | 14.83                       | 14.63                       |
| Non-controlling interest   |          | 0.34                        | (0.73)                      |
| <b>X. Total comprehensive income for the year attributable to</b>  |          |                             |                             |
| Owners of the Holding Company                                      |          | 325.21                      | 265.68                      |
| Non-controlling interest   |          | 3.94                        | 2.23                        |
| <b>VIII. Earnings per equity share (of ₹ 10 each):</b>             | 31       |                             |                             |
| Basic (₹)  |          | 17.48                       | 15.31                       |
| Diluted (₹)  |          | 17.48                       | 15.31                       |

See accompanying notes to the financial statements

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

**Darshana S. Pandya**

(Director &amp; Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary &amp; Compliance Officer)

(Membership No: A41206)

Ahmedabad  
30 April 2025Ahmedabad  
30 April 2025**For and on behalf of the Board of Directors of  
MAS Financial Services Limited****Kamlesh C. Gandhi**

(Chairman &amp; Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)



# Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

## (A) EQUITY SHARE CAPITAL

|   | (₹ In Crores) |
|---|---------------|
| Equity share of ₹ 10 each issued, subscribed and fully paid |               |
| <b>Balance at 31 March 2023</b>                             | <b>54.66</b>  |
| Changes in Equity Share Capital due to prior period errors  | -             |
| <b>Restated balance at 31 March 2023</b>                    | <b>54.66</b>  |
| Changes in equity share capital during the year             | 109.33        |
| <b>Balance at 31 March 2024</b>                             | <b>163.99</b> |
| Changes in Equity Share Capital due to prior period errors  | -             |
| <b>Restated balance at 31 March 2024</b>                    | <b>163.99</b> |
| Changes in equity share capital during the year             | 17.46         |
| <b>Balance at 31 March 2025</b>                             | <b>181.45</b> |

## (B) OTHER EQUITY

|   | Reserves and surplus                         |   |  |                       |                      |                                      | Other comprehensive income           | Total           |
|---|--|---|--|-----------------------|----------------------|--------------------------------------|--------------------------------------|-----------------|
|   | Reserve<br>u/s. 45-IC<br>of RBI Act,<br>1934 | Reserve<br>fund u/s.<br>29-C of<br>NHB Act,<br>1987 | Equity<br>component<br>of compound<br>financial<br>instruments | Securities<br>premium | Retained<br>earnings | Equity<br>instruments<br>through OCI | Loans and<br>advances<br>through OCI |                 |
| <b>Balance at 31 March 2023</b>                         | <b>252.10</b>                                | <b>5.87</b>   | <b>0.11</b>  | <b>426.95</b>         | <b>679.63</b>        | <b>* 0.00</b>                        | <b>99.33</b>                         | <b>1,463.99</b> |
| Profit for the year                                     | -  | -   | -  | -                     | 251.05               | -                                    | -                                    | 251.05          |
| Re-measurement of defined benefit plans (net of taxes)  | -  | -   | -  | -                     | (0.38)               | -                                    | -                                    | (0.38)          |
| Other comprehensive income (net of taxes)               | -  | -   | -  | -                     | -                    | -                                    | 42.02                                | 42.02           |
| Final dividend on equity shares                         | -  | -   | -  | -                     | (10.11)              | -                                    | -                                    | (10.11)         |
| Interim dividend on equity shares                       | -  | -   | -  | -                     | (16.40)              | -                                    | -                                    | (16.40)         |
| Transfer to reserve u/s. 45-IC of RBI Act, 1934         | 49.55  | -   | -  | -                     | (49.55)              | -                                    | -                                    | -               |
| Transfer to reserve u/s. u/s. 29-C of NHB Act, 1987     | -  | 1.21  | -  | -                     | (1.21)               | -                                    | -                                    | -               |
| On issue of bonus shares                                | -  | -   | -  | (109.32)              | -                    | -                                    | -                                    | (109.32)        |
| Effect of changes in Group's interest                   | -  | 0.11  | 0.01   | -                     | (2.28)               | -                                    | 0.03                                 | (2.13)          |
| <b>Balance at 31 March 2024</b>                         | <b>301.65</b>                                | <b>7.19</b>   | <b>0.12</b>  | <b>317.63</b>         | <b>850.75</b>        | <b>* 0.00</b>                        | <b>141.38</b>                        | <b>1,618.72</b> |
| Profit for the year                                     | -  | -   | -  | -                     | 310.38               | -                                    | -                                    | 310.38          |
| Re-measurement of defined benefit plans (net of taxes)  | -  | -   | -  | -                     | (0.56)               | -                                    | -                                    | (0.56)          |
| Other comprehensive income (net of taxes)               | -  | -   | -  | -                     | -                    | -                                    | 56.11                                | 56.11           |
| Final Dividend on equity shares                         | -  | -   | -  | -                     | (9.25)               | -                                    | -                                    | (9.25)          |
| Interim Dividend on equity shares                       | -  | -   | -  | -                     | (18.15)              | -                                    | -                                    | (18.15)         |
| Transfer to reserve u/s. 45-IC of the RBI Act, 1934     | 61.18  | -   | -  | -                     | (61.18)              | -                                    | -                                    | -               |
| Transfer to reserve u/s. 29-C of NHB Act, 1987          | -  | 1.67  | -  | -                     | (1.67)               | -                                    | -                                    | -               |
| On issue of equity shares (net of share issue expenses) | -  | -   | -  | 471.28                | -                    | -                                    | -                                    | 471.28          |
| Effect of changes in the Group's interest               | -  | 0.13  | 0.01   | -                     | (1.12)               | -                                    | 0.03                                 | (0.95)          |
| <b>Balance at 31 March 2025</b>                         | <b>362.83</b>                                | <b>8.99</b>   | <b>0.13</b>  | <b>788.91</b>         | <b>1,069.20</b>      | <b>* 0.00</b>                        | <b>197.52</b>                        | <b>2,427.58</b> |

\* Represents amount less than ₹ 50,000

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

Ahmedabad

30 April 2025

**Darshana S. Pandya**

(Director & Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad

30 April 2025

**For and on behalf of the Board of Directors of**

**MAS Financial Services Limited**

**Kamlesh C. Gandhi**

(Chairman & Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)

# Consolidated Statement of Cash Flows

for the year ended 31 March 2025

(₹ in Crores)

|   | Year ended<br>31 March 2025 |  | Year ended<br>31 March 2024 |  |
|---|-----------------------------|--|-----------------------------|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                             |  |                             |  |
| Net profit before tax   | 421.01                      |  | 339.67                      |  |
| Adjustments for :   |                             |  |                             |  |
| Depreciation and amortisation   | 5.60                        |  | 4.29                        |  |
| Finance cost  | 762.80                      |  | 646.71                      |  |
| Impairment on financial assets  | 128.38                      |  | 90.61                       |  |
| (Profit) / loss on sale of property, plant and equipment  | -                           |  | (0.04)                      |  |
| Interest income   | (1,359.25)                  |  | (1,077.09)                  |  |
| Gain on assignment of financial assets  | (149.38)                    |  | (122.32)                    |  |
| Net gain on fair value changes  | (0.77)                      |  | (2.48)                      |  |
| Net gain on sale of investments measured at amortized cost                                      | (1.24)                      |  | (4.84)                      |  |
| Unrealised gain on foreign exchange   | 0.48                        |  | (0.06)                      |  |
| Gain on derecognition of leased asset   | (0.02)                      |  | (0.04)                      |  |
|   | (613.40)                    |  | (465.26)                    |  |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>  | <b>(192.39)</b>             |  | <b>(125.59)</b>             |  |
| Changes in working capital:   |                             |  |                             |  |
| Adjustments for (increase)/decrease in operating assets:  |                             |  |                             |  |
| Loans   | (1,344.53)                  |  | (1,380.87)                  |  |
| Trade receivables   | 1.87                        |  | (2.24)                      |  |
| Advances received against loan agreements   | (2.53)                      |  | 0.47                        |  |
| Bank balance other than cash and cash equivalents   | (26.93)                     |  | (100.54)                    |  |
| Other financial asset   | (90.02)                     |  | (6.04)                      |  |
| Other non-financial asset   | (29.86)                     |  | (17.16)                     |  |
| Adjustments for increase/(decrease) in operating liabilities:                                   |                             |  |                             |  |
| Trade payable and other payable   | 26.75                       |  | 6.52                        |  |
| Other financial liabilities   | 69.59                       |  | (16.06)                     |  |
| Other non-financial liabilities   | 0.05                        |  | 2.10                        |  |
| Provisions (Also refer note 34)   | (0.88)                      |  | 0.62                        |  |
|   | (1,396.49)                  |  | (1,513.20)                  |  |
| <b>CASH GENERATED FROM / (USED IN) OPERATIONS</b>   | <b>(1,588.88)</b>           |  | <b>(1,638.79)</b>           |  |
| Interest income received  | 1,243.62                    |  | 975.40                      |  |
| Interest income on Investment measured at amortised cost  | 91.82                       |  | 76.48                       |  |
| Finance cost paid   | (780.10)                    |  | (698.94)                    |  |
| Income tax paid (net)   | (99.94)                     |  | (80.20)                     |  |
|   | 455.40                      |  | 272.74                      |  |
| <b>NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)</b>                        | <b>(1,133.48)</b>           |  | <b>(1,366.05)</b>           |  |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                             |  |                             |  |
| Acquisition of property, plant and equipments and intangible assets, including capital advances | (29.54)                     |  | (22.29)                     |  |
| Proceeds from sale of property, plant and equipments and intangible assets                      | -                           |  | 0.11                        |  |
| Purchase of investments   | (3,684.60)                  |  | (2,628.30)                  |  |
| Redemption of investments   | 2,885.95                    |  | 2,700.56                    |  |
| <b>NET CASH FLOW GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)</b>                        | <b>(828.19)</b>             |  | <b>50.08</b>                |  |

# Consolidated Statement of Cash Flows

for the year ended 31 March 2025

(₹ in Crores)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                                |                             |                             |
| Proceeds from issue of shares (net)  | 484.06                      | -                           |
| Changes in Minority Holding  | 4.99                        | 5.00                        |
| Proceeds from debt securities and borrowings                                 | 4,150.46                    | 3,842.18                    |
| Repayments of debt securities and borrowings                                 | (2,595.57)                  | (2,319.84)                  |
| Short term loans (Net)   | 181.98                      | (210.28)                    |
| Repayment of lease liabilities   | (0.84)                      | (0.54)                      |
| Dividends paid   | (27.43)                     | (26.55)                     |
| <b>NET CASH FLOW GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)</b>     | <b>2,197.65</b>             | <b>1,289.97</b>             |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>        | <b>235.98</b>               | <b>(26.00)</b>              |
| Cash and cash equivalents at the beginning of the year                       | 212.67                      | 238.67                      |
| <b>Cash and cash equivalents at the end of the year (refer note 1 below)</b> | <b>448.65</b>               | <b>212.67</b>               |

## Notes:

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| 1 Cash and bank balances at the end of the year comprises:   |                        |                        |
| (a) Cash on hand   | 0.48                   | 0.32                   |
| (b) Balances with banks                                      | 222.60                 | 127.06                 |
| (c) Bank deposits with original maturity of 3 months or less | 225.57                 | 85.29                  |
| <b>Cash and cash equivalents as per the balance sheet</b>    | <b>448.65</b>          | <b>212.67</b>          |

2 The above cash flow statement has been prepared under the "Indirect method" as set out in the Ind AS - 7 on statement of cash flows specified under section 133 of the Companies Act, 2013.

3 The Group as at 31 March 2025 has undrawn borrowing facilities amounting to ₹ 1,401.34 crores that may be available for future operating activities and to settle capital commitments.

## 4 Change in liabilities arising from financing activities

|  | 31 March 2024   | Cash flows      | Non-cash changes* | 31 March 2025   |
|--|-----------------|-----------------|-------------------|-----------------|
| Debt securities                                    | 626.86          | 843.75          | (6.97)            | 1,463.64        |
| Borrowings other than debt securities              | 6,496.88        | 893.12          | (1.57)            | 7,388.43        |
| Subordinated liabilities                           | 302.11          | -               | 1.54              | 303.65          |
| Lease liability                                    | 3.38            | (1.17)          | 1.70              | 3.91            |
| <b>Total liabilities from financing activities</b> | <b>7,429.23</b> | <b>1,735.70</b> | <b>(5.30)</b>     | <b>9,159.63</b> |

|  | 31 March 2023   | Cash flows      | Non-cash changes* | 31 March 2024   |
|--|-----------------|-----------------|-------------------|-----------------|
| Debt securities                                    | 627.26          | -               | (0.40)            | 626.86          |
| Borrowings other than debt securities              | 5,247.57        | 1,262.06        | (12.75)           | 6,496.88        |
| Subordinated liabilities                           | 252.70          | 50.00           | (0.59)            | 302.11          |
| Lease liability                                    | 1.28            | (0.76)          | 2.86              | 3.38            |
| <b>Total liabilities from financing activities</b> | <b>6,128.81</b> | <b>1,311.30</b> | <b>(10.88)</b>    | <b>7,429.23</b> |

\* Non-cash changes represents the effect of amortization of transaction cost.

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

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

**Darshana S. Pandya**

(Director & Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad

30 April 2025

Ahmedabad

30 April 2025

**For and on behalf of the Board of Directors of**

**MAS Financial Services Limited**

**Kamlesh C. Gandhi**

(Chairman & Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

## 1. CORPORATE INFORMATION

MAS Financial Services Limited (the "Holding Company") together with its subsidiary MAS Rural Housing & Mortgage Finance Limited and MASFIN Insurance Broking Private Limited (hereinafter referred to as the "Group") are public companies domiciled in India. The Holding Company is registered as a non deposit taking non-banking finance company ("NBFC") with Reserve Bank of India ("RBI"). MAS Rural Housing & Mortgage Finance Limited is registered as a non deposit taking housing finance company ("HFC") with National Housing Bank ("NHB"). The Group is engaged in the business of providing Micro Enterprise Loans ("MEL"), Small and Medium Enterprise loans ("SME"), Two Wheeler loans ("TW"), Salaried Personal loans ("SPL"), Commercial Vehicle loans ("CV"), loans to NBFCs, housing loans, commercial property loans and project loans for real estate projects to customers especially in the segment of affordable housing in rural and urban areas. MASFIN Insurance Broking Private Limited is acting as an agent in providing insurance services. The Holding Company's equity shares are listed on two recognised stock exchanges in India i.e. BSE Limited and the National Stock Exchange of India Limited.

The Holding Company's registered office is at 6, Ground Floor, Narayan Chambers, behind Patang Hotel, Ashram Road, Ahmedabad - 380009, Gujarat, India.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance and principles of consolidation

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Further, the Group 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.

Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division

III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

### Principles of consolidation

These consolidated financial statements are prepared on the following basis in accordance with Ind AS 110 on 'Consolidated Financial Statements' specified under Section 133 of the Act.

- i) **Subsidiary -**  
Subsidiary in an entity controlled by the Holding Company. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which controls commences until the date on which control ceases.
- ii) **Non-controlling interest ("NCI")**  
NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.
- iii) **Loss of control**  
When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value on the date the control is lost. Any resulting gain or loss is recognized in profit or loss.
- iv) **Transactions eliminated on consolidation**  
The financial statements of the Holding Company and its subsidiary used in the consolidation procedure are drawn up to the same reporting date i.e. 31 March 2025. The financial statements of the Holding Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. The Group follows uniform accounting policies for like transactions and other events in similar circumstances.
- v) **The following subsidiary company has been**

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

considered in the preparation of the consolidated financial statements:

| Name of the entity                           | Relationship       | Country of incorporation | Ownership held by                              | % of holding and voting power as at |               |
|--|--------------------|--------------------------|--|-------------------------------------|---------------|
|  |                    |                          |  | 31 March 2025                       | 31 March 2024 |
| MAS Rural Housing & Mortgage Finance Limited | Subsidiary company | India                    | MAS Financial Services Limited                 | 62.02%                              | 60.77%        |
| MASFIN Insurance Broking Private Limited     | Subsidiary company | India                    | MAS Financial Services Limited                 | 69.00%                              | 69.00%        |
| MASFIN Insurance Broking Private Limited     | Associate Company  | India                    | MAS Rural Housing and Mortgage Finance Limited | 30.00%                              | 30.00%        |

## 2.2 Basis of measurement

The consolidated financial statements have been prepared on historical cost convention and on accrual basis, except for certain financial instruments which are measured at fair value as required by relevant Ind AS.

## 2.3 Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (₹) which is the currency of the primary economic environment in which the Group operates (the "functional currency"). Amounts in the consolidated financial statements are presented in crores rounded off to two decimal places as permitted by Schedule III to the Act, except when otherwise indicated.

## 2.4 Use of estimates, judgements and assumptions

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

### Judgements

In the process of applying the Group's accounting policies, management has made judgements, which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest (the "SPPI") test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This

assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or FVOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e.

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value please refer note 3.8 and note 41.

## ii) Effective interest rate ("EIR") method

The Group's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

## iii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- a) The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial

assets should be measured on a life time expected credit loss ("LTECL") basis.

- b) Development of ECL models, including the various formulas and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.
- e) Management overlay is used in circumstances where management in its objective review and internal assessment of emerging forward looking economic factors and related uncertainties.

## iv) Provisions and other contingent liabilities

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Group's business.

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

For further details on provisions and other contingencies refer note 3.16.



# Notes Forming Part of the Consolidated Financial Statements

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v) **Provision for income tax and deferred tax assets**

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including the amount expected to be paid / recovered for uncertain tax positions. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

vi) **Defined Benefit Plans**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable.

## 2.5 Presentation of the consolidated financial statements

The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 39.

Financial assets and financial liability are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a

future event, the parties also intend to settle on a net basis in all of the following circumstances:

- i) The normal course of business
- ii) The event of default

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

| Sr No. | Material Accounting Policies           | Reference In Balance Sheet & Profit And Loss Notes |
|--------|--|--|
| 1      | Recognition of interest income         | 22   |
| 2      | Impairment of financial assets         | 8.1, 26  |
| 3      | Property, plant and equipment          | 11(a)  |
| 4      | Financial instrument                   | 41   |
| 5      | Intangible assets                      | 11(e), 11(b)                                       |
| 6      | Leases                                 | 11(c), 44  |
| 7      | Retirement and other employee benefits | 27, 40   |
| 8      | Finance Cost                           | 25   |

### 3.1 Recognition of interest income

#### A. EIR method

Under Ind AS 109, interest income is recorded using EIR method for all financial instruments measured at amortised cost, financial instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

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

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

#### B. Interest income

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

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

When a financial asset becomes credit impaired and is, therefore, regarded as stage 3, the Group calculates interest income on the net basis. If the financial asset cures and is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

## 3.2 Financial instrument - initial recognition

### A. Date of recognition

All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

### B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments (refer note 3.3(A)). Financial instruments are initially measured at their fair value (as defined in note 3.8), transaction costs are added to, or subtracted from this amount, except in the case of financial assets and financial liabilities recorded at FVTPL.

### C. Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- i) Amortised cost
- ii) FVOCI
- iii) FVTPL

## 3.3 Financial assets and liabilities

### A. Financial assets

#### Business model assessment

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

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

- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

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

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

#### SPPI test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest rate is set.

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

Accordingly, the financial assets are measured as follows:

#### i) Financial assets carried at amortised cost ("AC")

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### ii) Financial assets measured at FVOCI

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

## iii) Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

## B. Financial liability

### i) Initial recognition and measurement

All financial liability are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

### ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the EIR method.

## 3.4 Reclassification of financial assets

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the circumstances in which the Group changes in its business model for managing those financial assets.

## 3.5 Derecognition of financial assets and liabilities

### A. Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

### B. Derecognition of financial assets other than due to substantial modification

#### i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

As per the guidelines of RBI, the Group is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continue to recognise the portion retained by it as MRR.

### ii) Financial liability

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

## 3.6 Impairment of financial assets

### A. Overview of the ECL principles

In accordance with Ind AS 109, the Group uses ECL model, for evaluating impairment of financial assets together with loan commitments other than those measured at FVTPL.

ECL are measured through a loss allowance at an amount equal to:

- i.) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii.) Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

**Stage 1:** When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant increase in credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2.

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL.

**Stage 3:** Loans considered credit impaired are the loans which are past due for more than 90

# Notes Forming Part of the Consolidated Financial Statements

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days. Borrowers are also classified under stage 3 bucket under instances like fraud identification and legal proceeding. Further, stage 3 loan accounts are identified at customer level (i.e. a Stage 1 or 2 customer having other loans which are in Stage 3). The Group records an allowance for life time ECL.

There is a curing period with Stage 3 loan, where even if the DPD days are reduced by 90 days the same will not be upgraded to Stage 1 until the loan is 0 DPD.

**Loan commitments:** When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

## B. The calculation of ECLs

*For retail loans*

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

**PD** Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

**EAD** Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, expected drawdowns on committed facilities and accrued interest. Further, the EAD for stage 3 retail loan is the outstanding exposure at the time loan is classified as Stage 3 for the first time

**LGD** LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods.

$$\% \text{ Recovery rate} = (\text{discounted recovery amount} + \text{security amount} + \text{discounted estimated recovery}) / (\text{total POS})$$
  

$$\% \text{ LGD} = 1 - \text{recovery rate}$$

*For retail asset channel ("RAC") loan portfolio*

For RAC loan portfolio, the Group has developed internal rating based approach for the purpose of ECL. The credit rating framework of the Group consists of various parameters based on which RAC loan portfolio is evaluated and credit rating is assigned accordingly.

The Group has developed its PD matrix based on the external benchmarking of various external reports, ratings & Basel norms. This PD matrix is calibrated with its historical data and major events on regular time interval in accordance with its ECL policy.

The LGD has been considered based on Basel-II Framework (International Regulatory Framework of Banks) for all the level of credit rating portfolio."

The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated EAD and LGDs are reviewed. While at every year end, PDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

**Stage 1:** The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

**Stage 3:** For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%. Credit impairment loans are determined at borrower level.

**Loan commitments:** When estimating ECL for undrawn loan commitments, the Group estimates the amount sanctioned that will be disbursed after the reporting date. The ECL is then calculated using PD and LGD.

Management overlay is used to adjust the ECL allowance in circumstances where management judges that the existing inputs, assumptions and model

# Notes Forming Part of the Consolidated Financial Statements

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techniques do not capture all the risk factors relevant to the Group's lending portfolios. Emerging local or global macroeconomic, micro economic or political events, and natural disasters that are not incorporated into the current parameters, risk ratings, or forward looking information are examples of such circumstances. The use of management overlay may impact the amount of ECL recognized.

## *Significant increase in credit risk*

The Group monitors all financial assets, including loan commitments issued that are subject to impairment requirements, to assess whether there has been a significant increase in credit risk since initial recognition. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience that is available without undue cost or effort. However, when a financial asset becomes 30 days past due, the Group considers that a significant increase in credit risk has occurred and the asset is classified in Stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL. Further, a stage 2 customer having other loans which are in stage 1 are considered to have significant increase in credit risk

## **B. The calculation of ECLs (Continued)**

### *Definition of default*

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL.

Financial assets in default represent those that are at least 90 DPD in respect of principal or interest and/or where the assets are otherwise considered to be unlikely to pay, including those that are credit-impaired.

## **C. Loans and advances measured at FVOCI**

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to the statement of profit and loss. The accumulated loss recognised in

OCI is recycled to the statement of profit and loss upon derecognition of the assets.

## **D. Forward looking information**

In its ECL models, the Group relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time. For this purpose, the Group has used the data source of Economist Intelligence Unit.

## **3.7 Write-offs**

The gross carrying amount of a financial asset is written off when the chances of recoveries are remote. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of profit and loss.

## **3.8 Determination of fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;
- Level 2 financial instruments: Those where the inputs that are used for valuation and are significant,



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are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

- Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

## 3.9 (I) Recognition of other income

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

- Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Group 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 Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Group satisfies a performance obligation

### A. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

### B. Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

### C. Other interest income

Other interest income is recognised on a time proportionate basis.

### D. Fees and commission income

Fees and commission income such as stamp and document charges, guarantee commission, service income, due diligence & evaluation charges and portfolio monitoring fees etc. are recognised on point in time basis.

## 3.9 (II) Recognition of other expense

### A. Finance cost

Finance costs are the interest and other costs that the Group incurs in connection with the borrowing of funds. Interest expenses are computed based on effective interest rate method. Finance costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts, perpetual debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Finance costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A



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qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other finance costs are charged to the statement of profit and loss for the period for which they are incurred.

## 3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## 3.11 Property, plant and equipment

Property, plant and equipment ("PPE") are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated using the straight line method to write down the cost of property and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated. All assets individually costing less than Rs. 5,000 are fully depreciated in the year of purchase.

The estimated useful lives are, as follows:

- i) Buildings - 60 years
- ii) Office equipment - 3 to 15 years
- iii) Furniture and fixtures - 10 years
- iv) Vehicles - 8 years

Depreciation is provided on a pro-rata basis from the date on which such asset is purchased or ready for its intended use.

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.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date. Capital work-in-progress is stated at cost, net of impairment loss, if any.

## 3.12 Intangible assets

The Group's intangible assets include the value of software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

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 any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives (three years) using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

## 3.13 Impairment of non financial assets - property, plant and equipment and intangible assets

The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no

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longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.

## 3.14 Leases

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.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less

Lease payments associated with short term leases or low value leases are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

## 3.15 Retirement and other employee benefits

### Defined contribution plans

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### Defined benefit plans

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed by the Group to the Life Insurance Corporation of India who administers the fund of the Group.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

### Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the

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amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

## 3.16 Provisions, contingent liabilities and contingent assets

### A. Provisions

Provisions are recognised when the Group 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 Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

### B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

### C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are neither recognised nor disclosed in the financial statements.

## 3.17 Taxes

### A. Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined

in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

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 equity.

### B. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

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 equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off.

### C. Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

## 3.18 Earnings per share

Basic earnings per share is computed by dividing the profit after tax (i.e. profit attributable to the owners of

# Notes Forming Part of the Consolidated Financial Statements

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the parent) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

## 3.19 Dividends on ordinary shares

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Holding Company when the distribution is authorised and the distribution is no longer at the discretion of the Holding Company. As per the Act, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## 3.20 Repossessed asset

In the normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle the outstanding debt. These assets are recognised at fair value at the time of possession.

## 3.21 (I) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at rates of exchange on the reporting date.

Exchange difference on restatement of all other monetary items is recognised in the Statement of Profit and Loss.

## (II) Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics:

- i) Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- ii) It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- iii) It is settled at a future date.

The Group enters into derivative transactions with various counterparties to hedge its foreign currency exchange rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes forward contracts.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are recognised in the Statement of Profit and Loss.

## 4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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## 5 CASH AND CASH EQUIVALENTS

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Cash on hand   | 0.48                   | 0.32                   |
| Balances with banks:                                     |                        |                        |
| In current / cash credit accounts                        | 222.60                 | 127.06                 |
| Bank deposits with original maturity of 3 months or less | 225.57                 | 85.29                  |
| <b>Total cash and cash equivalents</b>                   | <b>448.65</b>          | <b>212.67</b>          |

## 6 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| In current accounts (refer note 1 below)  | 0.12                   | 0.14                   |
| Earmarked balances with banks:  |                        |                        |
| Unclaimed dividend bank balances  | 0.03                   | 0.02                   |
| Unspent CSR bank balances   | 6.39                   | 5.72                   |
| In fixed deposit accounts:  |                        |                        |
| Deposits given as security against borrowings and other commitments             | 46.22                  | 23.45                  |
| Bank deposits with original maturity of more than 3 months (refer note 2 below) | 640.00                 | 636.50                 |
| <b>Total bank balance other than cash and cash equivalents</b>                  | <b>692.76</b>          | <b>665.83</b>          |

### Note:

- Balance represents balance with banks in earmarked account i.e. "collection and pay-out account".
- Represents bank deposits against overdraft facility except balance amounting to ₹ 10.00 crore (31 March 2024: ₹ 0.10 crores) as regular deposit.

## 7 TRADE RECEIVABLES

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Trade receivables considered good-secured                        | -                      | -                      |
| Trade receivables considered good-unsecured                      | 4.67                   | 6.54                   |
| Trade receivables which have significant increase in credit risk | -                      | -                      |
| Trade receivables - credit impaired                              | -                      | -                      |
| <b>Total trade receivables</b>                                   | <b>4.67</b>            | <b>6.54</b>            |

### Notes:

- Impairment allowance recognised on trade receivables is ₹ Nil (Previous year: ₹ Nil).
- 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.

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## Trade Receivables ageing schedule as at 31 March 2025

(₹ In Crores)

| Particulars   | Unbilled | Not due for payment | Outstanding for following periods from due date of payment |                  |           |           |                   | Total |
|---|----------|---------------------|--|------------------|-----------|-----------|-------------------|-------|
|   |          |                     | Less than 6 months   | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |       |
| Undisputed Trade receivables – considered good                                | 0.03     | -                   | 2.03   | 1.99             | 0.62      | -         | -                 | 4.67  |
| Undisputed Trade Receivables – which have significant increase in credit risk | -        | -                   | -  | -                | -         | -         | -                 | -     |
| Undisputed Trade Receivables – credit impaired                                | -        | -                   | -  | -                | -         | -         | -                 | -     |
| Disputed Trade Receivables – considered good                                  | -        | -                   | -  | -                | -         | -         | -                 | -     |
| Disputed Trade Receivables – which have significant increase in credit risk   | -        | -                   | -  | -                | -         | -         | -                 | -     |
| Disputed Trade Receivables – credit impaired                                  | -        | -                   | -  | -                | -         | -         | -                 | -     |

## Trade Receivables ageing schedule as at 31 March 2024

(₹ In Crores)

| Particulars   | Unbilled | Not due for payment | Outstanding for following periods from due date of payment |                  |           |           |                   | Total |
|---|----------|---------------------|--|------------------|-----------|-----------|-------------------|-------|
|   |          |                     | Less than 6 months   | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |       |
| Undisputed Trade receivables – considered good                                | -        | -                   | 5.12   | 1.27             | 0.15      | -         | -                 | 6.54  |
| Undisputed Trade Receivables – which have significant increase in credit risk | -        | -                   | -  | -                | -         | -         | -                 | -     |
| Undisputed Trade Receivables – credit impaired                                | -        | -                   | -  | -                | -         | -         | -                 | -     |
| Disputed Trade Receivables – considered good                                  | -        | -                   | -  | -                | -         | -         | -                 | -     |
| Disputed Trade Receivables – which have significant increase in credit risk   | -        | -                   | -  | -                | -         | -         | -                 | -     |
| Disputed Trade Receivables – credit impaired                                  | -        | -                   | -  | -                | -         | -         | -                 | -     |

## 8 LOANS

(₹ In Crores)

|                                    | As at 31 March 2025       |                   |                 | As at 31 March 2024       |                   |                 |
|------------------------------------|---------------------------|-------------------|-----------------|---------------------------|-------------------|-----------------|
|                                    | At fair value through OCI | At amortised cost | Total           | At fair value through OCI | At amortised cost | Total           |
| (A) (I) Bills Receivables          | -                         | 95.32             | 95.32           | -                         | 121.07            | 121.07          |
| Less: Impairment loss allowance    | -                         | (0.60)            | (0.60)          | -                         | (0.27)            | (0.27)          |
| <b>Total (A) (I)-Net</b>           | -                         | <b>94.72</b>      | <b>94.72</b>    | -                         | <b>120.80</b>     | <b>120.80</b>   |
| (A) (II) Term Loans - Gross        | 8,875.27                  | 206.74            | 9,082.01        | 7,448.93                  | 152.22            | 7,601.15        |
| Less: Impairment loss allowance    | -                         | (2.64)            | (2.64)          | -                         | (2.51)            | (2.51)          |
| <b>Total (A) (II)-Net</b>          | <b>8,875.27</b>           | <b>204.10</b>     | <b>9,079.37</b> | <b>7,448.93</b>           | <b>149.71</b>     | <b>7,598.64</b> |
| <b>Total (A) - Net</b>             | <b>8,875.27</b>           | <b>298.82</b>     | <b>9,174.09</b> | <b>7,448.93</b>           | <b>270.51</b>     | <b>7,719.44</b> |
| (B) (i) Secured by tangible assets | 6,322.97                  | 301.98            | 6,624.95        | 5,145.67                  | 273.29            | 5,418.96        |
| (ii) Unsecured                     | 2,552.30                  | 0.08              | 2,552.38        | 2,303.26                  | -                 | 2,303.26        |
| <b>Total (B) - Gross</b>           | <b>8,875.27</b>           | <b>302.06</b>     | <b>9,177.33</b> | <b>7,448.93</b>           | <b>273.29</b>     | <b>7,722.22</b> |
| Less: Impairment loss allowance    | -                         | (3.24)            | (3.24)          | -                         | (2.78)            | (2.78)          |
| <b>Total (B) - Net</b>             | <b>8,875.27</b>           | <b>298.82</b>     | <b>9,174.09</b> | <b>7,448.93</b>           | <b>270.51</b>     | <b>7,719.44</b> |



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(₹ In Crores)

|                                 | As at 31 March 2025       |                   |                 | As at 31 March 2024       |                   |                 |
|---------------------------------|---------------------------|-------------------|-----------------|---------------------------|-------------------|-----------------|
|                                 | At fair value through OCI | At amortised cost | Total           | At fair value through OCI | At amortised cost | Total           |
| (C) (I) Loans in India          |                           |                   |                 |                           |                   |                 |
| (i) Public Sector               | -                         | -                 | -               | -                         | -                 | -               |
| (ii) Private Sector             | 8,875.27                  | 302.06            | 9,177.33        | 7,448.93                  | 273.29            | 7,722.22        |
| <b>Total (C) - Gross</b>        | <b>8,875.27</b>           | <b>302.06</b>     | <b>9,177.33</b> | <b>7,448.93</b>           | <b>273.29</b>     | <b>7,722.22</b> |
| Less: Impairment loss allowance | -                         | (3.24)            | (3.24)          | -                         | (2.78)            | (2.78)          |
| <b>Total (C) (I) - Net</b>      | <b>8,875.27</b>           | <b>298.82</b>     | <b>9,174.09</b> | <b>7,448.93</b>           | <b>270.51</b>     | <b>7,719.44</b> |
| (C) (II) Loans outside India    | -                         | -                 | -               | -                         | -                 | -               |
| Less: Impairment loss allowance | -                         | -                 | -               | -                         | -                 | -               |
| <b>Total (C) (II) - Net</b>     | <b>-</b>                  | <b>-</b>          | <b>-</b>        | <b>-</b>                  | <b>-</b>          | <b>-</b>        |
| <b>Total C(I) and C(II)</b>     | <b>8,875.27</b>           | <b>298.82</b>     | <b>9,174.09</b> | <b>7,448.93</b>           | <b>270.51</b>     | <b>7,719.44</b> |

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person

(₹ In Crores)

|                 | As at 31 March 2025 | % to the total Loans and Advances in the nature of loans | As at 31 March 2024 | % to the total Loans and Advances in the nature of loans |
|-----------------|---------------------|--|---------------------|--|
| Promoter        | Nil                 | Nil  | Nil                 | Nil  |
| Directors       | Nil                 | Nil  | Nil                 | Nil  |
| KMPs            | Nil                 | Nil  | Nil                 | Nil  |
| Related parties | Nil                 | Nil  | Nil                 | Nil  |

## Notes:

- The impairment on loans measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss.

## 8.1 An analysis of changes in the gross carrying amount of loans is given below\*

(₹ In Crores)

|  | 31 March 2025   |               |               |                 | 31 March 2024   |               |               |                 |
|--|-----------------|---------------|---------------|-----------------|-----------------|---------------|---------------|-----------------|
|  | Stage 1         | Stage 2       | Stage 3       | Total           | Stage 1         | Stage 2       | Stage 3       | Total           |
| <b>Gross carrying amount opening balance</b>                                   | <b>7,456.51</b> | <b>139.29</b> | <b>195.34</b> | <b>7,791.14</b> | <b>6,028.25</b> | <b>128.70</b> | <b>135.19</b> | <b>6,292.14</b> |
| Changes in opening credit exposures (net of repayment and excluding write off) | (5,328.53)      | (58.43)       | (53.01)       | (5,439.97)      | (4,351.55)      | (65.35)       | (48.93)       | (4,465.83)      |
| New assets originated (net of repayment)**                                     | 6,842.23        | 92.08         | 41.38         | 6,975.69        | 5,877.31        | 82.37         | 54.18         | 6,013.86        |
| Transfers from Stage 1   | (155.01)        | 68.53         | 86.48         | -               | (105.52)        | 45.59         | 59.93         | -               |
| Transfers from Stage 2   | 25.15           | (67.67)       | 42.52         | -               | 6.82            | (50.80)       | 43.98         | -               |
| Transfers from Stage 3   | 2.64            | 0.58          | (3.22)        | -               | 1.33            | 0.36          | (1.69)        | -               |
| Amounts written off  | (0.58)          | (0.42)        | (55.05)       | (56.05)         | (0.13)          | (1.58)        | (47.32)       | (49.03)         |
| <b>Gross carrying amount closing balance</b>                                   | <b>8,842.41</b> | <b>173.96</b> | <b>254.44</b> | <b>9,270.81</b> | <b>7,456.51</b> | <b>139.29</b> | <b>195.34</b> | <b>7,791.14</b> |

\* The above classification also includes balance of spread receivable on assigned portfolio. (Refer note no. 10)

\*\* New assets originated are those assets which have either remained in stage 1 or have become stage 2 or 3 at the year end.

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## 8.2 Reconciliation of ECL balance is given below:

(₹ In Crores)

|  | 31 March 2025 |              |               |               | 31 March 2024 |              |              |               |
|--|---------------|--------------|---------------|---------------|---------------|--------------|--------------|---------------|
|  | Stage 1       | Stage 2      | Stage 3       | Total         | Stage 1       | Stage 2      | Stage 3      | Total         |
| <b>ECL allowance - opening balance</b>   | <b>30.11</b>  | <b>29.56</b> | <b>75.63</b>  | <b>135.30</b> | <b>31.82</b>  | <b>22.37</b> | <b>54.10</b> | <b>108.29</b> |
| Changes in opening credit exposures (net of repayment and excluding write off) | 24.73         | (10.65)      | (13.04)       | 1.04          | 2.98          | 2.90         | (14.07)      | (8.19)        |
| New assets originated (net of repayment)                                       | 27.66         | 21.14        | 15.58         | 64.38         | 24.14         | 18.22        | 19.13        | 61.49         |
| Transfers from Stage 1   | (46.33)       | 12.75        | 33.58         | -             | (28.91)       | 9.58         | 19.33        | -             |
| Transfers from Stage 2   | 0.16          | (17.01)      | 16.85         | -             | 0.08          | (23.31)      | 23.23        | -             |
| Transfers from Stage 3   | 0.03          | 0.11         | (0.14)        | -             | * 0.00        | 0.05         | (0.05)       | -             |
| Amounts written off  | (0.06)        | (0.13)       | (23.62)       | (23.81)       | * 0.00        | (0.25)       | (26.04)      | (26.29)       |
| <b>ECL allowance - closing balance</b>   | <b>36.30</b>  | <b>35.77</b> | <b>104.84</b> | <b>176.91</b> | <b>30.11</b>  | <b>29.56</b> | <b>75.63</b> | <b>135.30</b> |

\* Represents amount less than ₹ 50,000

The contractual amount outstanding on loans that have been written off during the year, but were still subject to enforcement activity is ₹ 56.05 crores at 31 March 2025 (31 March 2024: ₹ 49.03 crores).

The increase in ECL was driven by an increase in the gross amount of the portfolio, movements between stages as a result of increase in credit risk, change in probability of default, macro economic factors and management overlays due to estimated macro-economic factors. The extent to which macro-economic factors will impact current estimates of ECL is uncertain at this point of time. The Group has conducted a qualitative assessment and has considered forecasted macro economic factors and a higher probability of default to factor on impairment allowances. For further details, refer note 43.

## 8.3 Credit quality of loan assets

The table below shows the gross carrying amount of loans based on the Group's internal grading model and year-end stage classification of loans. The amounts presented are gross of impairment allowances. Details of the Group's internal grades are explained in note 43.1.

(₹ In Crores)

|                        | 31 March 2025   |               |               |                 | 31 March 2024   |               |               |                 |
|------------------------|-----------------|---------------|---------------|-----------------|-----------------|---------------|---------------|-----------------|
|                        | Stage 1         | Stage 2       | Stage 3       | Total           | Stage 1         | Stage 2       | Stage 3       | Total           |
| <b>Internal grade</b>  |                 |               |               |                 |                 |               |               |                 |
| <b>Performing</b>      |                 |               |               |                 |                 |               |               |                 |
| High quality assets    | 8,842.41        | -             | -             | 8,842.41        | 7,456.51        | -             | -             | 7,456.51        |
| Quality assets         | -               | 89.95         | -             | 89.95           | -               | 68.81         | -             | 68.81           |
| Standard assets        | -               | 84.01         | -             | 84.01           | -               | 70.48         | -             | 70.48           |
| <b>Non- performing</b> |                 |               |               |                 |                 |               |               |                 |
| Sub standard assets    | -               | -             | 90.76         | 90.76           | -               | -             | 97.22         | 97.22           |
| Low quality assets     | -               | -             | 163.68        | 163.68          | -               | -             | 98.12         | 98.12           |
| <b>Total</b>           | <b>8,842.41</b> | <b>173.96</b> | <b>254.44</b> | <b>9,270.81</b> | <b>7,456.51</b> | <b>139.29</b> | <b>195.34</b> | <b>7,791.14</b> |

# Notes Forming Part of the Consolidated Financial Statements

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## 9 INVESTMENTS

|   | As at 31 March 2025 |                           |                 | As at 31 March 2024 |                           |               |
|---|---------------------|---------------------------|-----------------|---------------------|---------------------------|---------------|
|   | At amortised cost   | At fair value through P&L | Total           | At amortised cost   | At fair value through P&L | Total         |
| <b>Investments</b>  |                     |                           |                 |                     |                           |               |
| Alternative investment funds                                | -                   | -                         | -               | -                   | 2.36                      | 2.36          |
| Pass through certificates under securitization transactions | 922.03              | -                         | 922.03          | 507.81              | -                         | 507.81        |
| Market linked debentures                                    | -                   | -                         | -               | -                   | 50.95                     | 50.95         |
| Non - convertible debentures                                | 589.36              | 8.74                      | 598.10          | 159.08              | -                         | 159.08        |
| Mutual fund units   | -                   | 6.87                      | 6.87            | -                   | 6.14                      | 6.14          |
| <b>Total – Gross (A)</b>                                    | <b>1,511.39</b>     | <b>15.61</b>              | <b>1,527.00</b> | <b>666.89</b>       | <b>59.45</b>              | <b>726.34</b> |
| (i) Investments outside India                               | -                   | -                         | -               | -                   | -                         | -             |
| (ii) Investments in India                                   | 1,511.39            | 15.61                     | 1,527.00        | 666.89              | 59.45                     | 726.34        |
| <b>Total (B)</b>  | <b>1,511.39</b>     | <b>15.61</b>              | <b>1,527.00</b> | <b>666.89</b>       | <b>59.45</b>              | <b>726.34</b> |
| Less: Allowance for impairment loss (C)                     | (1.01)              | -                         | (1.01)          | (0.18)              | -                         | (0.18)        |
| <b>Total – Net D= (A)-(C)</b>                               | <b>1,510.38</b>     | <b>15.61</b>              | <b>1,525.99</b> | <b>666.71</b>       | <b>59.45</b>              | <b>726.16</b> |

## 10 OTHER FINANCIAL ASSETS

|   | As at 31 March 2025 | As at 31 March 2024 |
|---|---------------------|---------------------|
| Security deposits                           | 1.86                | 1.72                |
| Derivative financial instruments            | -                   | 2.02                |
| Interest accrued but not due on investments | 6.30                | 2.75                |
| Spread receivable on assigned portfolio     | 93.48               | 68.92               |
| Advances to dealers                         | 64.47               | 3.45                |
| <b>Total other financial assets</b>         | <b>166.11</b>       | <b>78.86</b>        |

## 11 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

| Nature of Assets                 | Property, plant and equipment (a) |                  |                        |             | Other intangible assets (b) |             |                   |             |
|----------------------------------|-----------------------------------|------------------|------------------------|-------------|-----------------------------|-------------|-------------------|-------------|
|                                  | Buildings                         | Office equipment | Furniture and fixtures | Vehicles    | Total                       | Software    | Other intangibles | Total       |
| <b>Cost</b>                      |                                   |                  |                        |             |                             |             |                   |             |
| <b>At 31 March 2023</b>          | <b>6.68</b>                       | <b>6.98</b>      | <b>4.80</b>            | <b>4.42</b> | <b>22.88</b>                | <b>1.66</b> | <b>* 0.00</b>     | <b>1.66</b> |
| Additions                        | -                                 | 3.45             | 2.35                   | 3.94        | 9.74                        | 0.50        | -                 | 0.50        |
| Disposals                        | -                                 | 0.05             | -                      | 1.02        | 1.07                        | -           | -                 | -           |
| <b>At 31 March 2024</b>          | <b>6.68</b>                       | <b>10.38</b>     | <b>7.15</b>            | <b>7.34</b> | <b>31.55</b>                | <b>2.16</b> | <b>* 0.00</b>     | <b>2.16</b> |
| Additions                        | -                                 | 3.23             | 0.82                   | -           | 4.05                        | 2.16        | -                 | 2.16        |
| Disposals                        | -                                 | -                | -                      | -           | -                           | -           | -                 | -           |
| <b>At 31 March 2025</b>          | <b>6.68</b>                       | <b>13.61</b>     | <b>7.97</b>            | <b>7.34</b> | <b>35.60</b>                | <b>4.32</b> | <b>* 0.00</b>     | <b>4.32</b> |
| <b>Depreciation/amortisation</b> |                                   |                  |                        |             |                             |             |                   |             |
| <b>At 31 March 2023</b>          | <b>0.66</b>                       | <b>3.72</b>      | <b>1.69</b>            | <b>2.15</b> | <b>8.22</b>                 | <b>0.63</b> | <b>* 0.00</b>     | <b>0.63</b> |
| Depreciation/amortization charge | 0.11                              | 1.52             | 0.81                   | 0.66        | 3.10                        | 0.52        | * 0.00            | 0.52        |
| Disposal                         | -                                 | 0.04             | -                      | 0.96        | 1.00                        | -           | -                 | -           |
| <b>At 31 March 2024</b>          | <b>0.77</b>                       | <b>5.20</b>      | <b>2.50</b>            | <b>1.85</b> | <b>10.32</b>                | <b>1.15</b> | <b>* 0.00</b>     | <b>1.15</b> |
| Depreciation/amortization charge | 0.12                              | 2.29             | 0.78                   | 0.77        | 3.96                        | 0.63        | * 0.00            | 0.63        |
| Disposal                         | -                                 | -                | -                      | -           | -                           | -           | -                 | -           |
| <b>At 31 March 2025</b>          | <b>0.89</b>                       | <b>7.49</b>      | <b>3.28</b>            | <b>2.62</b> | <b>14.28</b>                | <b>1.78</b> | <b>* 0.00</b>     | <b>1.78</b> |
| <b>Net block value:</b>          |                                   |                  |                        |             |                             |             |                   |             |
| <b>At 31 March 2024</b>          | <b>5.91</b>                       | <b>5.18</b>      | <b>4.65</b>            | <b>5.49</b> | <b>21.23</b>                | <b>1.01</b> | <b>* 0.00</b>     | <b>1.01</b> |
| <b>At 31 March 2025</b>          | <b>5.79</b>                       | <b>6.12</b>      | <b>4.69</b>            | <b>4.72</b> | <b>21.32</b>                | <b>2.54</b> | <b>* 0.00</b>     | <b>2.54</b> |

\* Represents amount less than ₹ 50,000

Note: No revaluation of any class of asset is carried out during the year.

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## 11 (c) Right-of-use Asset

The details of the right-of-use asset held by the Group is as follows:

|                         |             |
|-------------------------|-------------|
| <b>Office Premises</b>  |             |
| <b>At 31 March 2023</b> | <b>4.07</b> |
| Additions               | 3.50        |
| Disposals               | 1.59        |
| <b>At 31 March 2024</b> | <b>5.98</b> |
| Additions               | 1.57        |
| Disposals               | 0.25        |
| <b>At 31 March 2025</b> | <b>7.30</b> |
| <b>Depreciation</b>     |             |
| <b>At 31 March 2023</b> | <b>2.89</b> |
| Additions               | 0.67        |
| Disposals               | 0.77        |
| <b>At 31 March 2024</b> | <b>2.79</b> |
| Additions               | 1.02        |
| Disposals               | 0.07        |
| <b>At 31 March 2025</b> | <b>3.74</b> |
| <b>Net Block Value:</b> |             |
| <b>At 31 March 2024</b> | <b>3.19</b> |
| <b>At 31 March 2025</b> | <b>3.56</b> |

## 11 (d) Capital work in progress

Capital work in progress includes borrowing costs related to development of building amounted to ₹ 0.65 crores (31 March 2024: ₹ 1.01 crores). Finance costs are capitalised at MCLR + 1.15% p.a. - presently 10.30% p.a. for the year ended 31 March 2025.

|                                 |              |
|---------------------------------|--------------|
| <b>Capital work-in-progress</b> |              |
| <b>At 31 March 2023</b>         | <b>57.66</b> |
| Additions                       | 12.14        |
| Disposals                       | -            |
| <b>At 31 March 2024</b>         | <b>69.80</b> |
| Additions                       | 21.68        |
| Disposals                       | -            |
| <b>At 31 March 2025</b>         | <b>91.48</b> |

### Capital work in progress ageing schedule

(₹ In Crores)

| Capital work in progress       | Amount in CWIP for a period of |              |              |                      | Total |
|--------------------------------|--------------------------------|--------------|--------------|----------------------|-------|
|                                | Less than<br>1 year            | 1-2<br>years | 2-3<br>years | More than<br>3 years |       |
| <b>As at 31 March 2025</b>     |                                |              |              |                      |       |
| Projects in progress           | 21.68                          | 12.14        | 5.72         | 51.94                | 91.48 |
| Projects temporarily suspended | -                              | -            | -            | -                    | -     |
| <b>As at 31 March 2024</b>     |                                |              |              |                      |       |
| Projects in progress           | 12.14                          | 5.72         | 1.91         | 50.03                | 69.80 |
| Projects temporarily suspended | -                              | -            | -            | -                    | -     |

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## Capital work in progress completion schedule for projects where completion is overdue

(₹ In Crores)

| Capital work in progress   | To be completed in  |              |              |                      | Total |
|----------------------------|---------------------|--------------|--------------|----------------------|-------|
|                            | Less than<br>1 year | 1-2<br>years | 2-3<br>years | More than<br>3 years |       |
| <b>As at 31 March 2025</b> |                     |              |              |                      |       |
| MAS headquarters           | -                   | -            | 91.48        | -                    | 91.48 |
| <b>As at 31 March 2024</b> |                     |              |              |                      |       |
| MAS headquarters           | -                   | -            | -            | 69.80                | 69.80 |

## 11 (e) Intangible assets under development

|                                     |             |
|-------------------------------------|-------------|
| Intangible assets under development |             |
| <b>At 31 March 2023</b>             | <b>0.33</b> |
| Additions                           | 0.24        |
| Disposals                           | 0.33        |
| <b>At 31 March 2024</b>             | <b>0.24</b> |
| Additions                           | 1.88        |
| Disposals                           | 2.10        |
| <b>At 31 March 2025</b>             | <b>0.02</b> |

## Intangible assets under development ageing schedule

(₹ In Crores)

| Intangible assets under development | Amount in intangible assets under development<br>for a period of |              |              |                      | Total |
|-------------------------------------|--|--------------|--------------|----------------------|-------|
|                                     | Less than<br>1 year  | 1-2<br>years | 2-3<br>years | More than<br>3 years |       |
| <b>As at 31 March 2025</b>          |  |              |              |                      |       |
| Projects in progress                | 0.02   | -            | -            | -                    | 0.02  |
| Projects temporarily suspended      | -  | -            | -            | -                    | -     |
| <b>As at 31 March 2024</b>          |  |              |              |                      |       |
| Projects in progress                | 0.24   | -            | -            | -                    | 0.24  |
| Projects temporarily suspended      | -  | -            | -            | -                    | -     |

## 12 OTHER NON-FINANCIAL ASSETS

(₹ In Crores)

|                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------|------------------------|------------------------|
| Prepaid expenses                    | 16.56                  | 14.36                  |
| Advances to employees               | 0.14                   | 0.19                   |
| Re-possessed assets                 | 30.45                  | 8.16                   |
| Balance with Government Authorities | 6.81                   | 2.39                   |
| Capital advances                    | 1.90                   | 0.03                   |
| Gratuity fund [refer note 40(b)]    | 1.14                   | 1.59                   |
| Other advances                      | 1.97                   | 1.28                   |
| <b>Total</b>                        | <b>58.97</b>           | <b>28.00</b>           |

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as at 31 March 2025

## 13 PAYABLES

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>(a) Trade payables</b>   |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       | 0.05                   | 0.03                   |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 40.20                  | 21.12                  |
| <b>(b) Other payables</b>   |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       | -                      | -                      |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 9.54                   | 1.89                   |
| <b>Total</b>  | <b>49.79</b>           | <b>23.04</b>           |

### Trade Payables aging schedule

| Particulars                 | Unbilled | Not due for<br>payment | Outstanding for following periods from<br>due date of payment |              |              |                      | Total |
|-----------------------------|----------|------------------------|---|--------------|--------------|----------------------|-------|
|                             |          |                        | Less than<br>1 year   | 1-2<br>years | 2-3<br>years | More than<br>3 years |       |
|                             |          |                        |   |              |              |                      |       |
| <b>As at 31 March 2025</b>  |          |                        |   |              |              |                      |       |
| (i) MSME                    | -        | -                      | 0.03  | 0.02         | -            | -                    | 0.05  |
| (ii) Others                 | 31.95    | -                      | 8.25  | -            | -            | -                    | 40.20 |
| (iii) Disputed dues – MSME  | -        | -                      | -   | -            | -            | -                    | -     |
| (iv) Disputed dues - Others | -        | -                      | -   | -            | -            | -                    | -     |
| <b>As at 31 March 2024</b>  |          |                        |   |              |              |                      |       |
| (i) MSME                    | -        | -                      | 0.03  | -            | -            | -                    | 0.03  |
| (ii) Others                 | 10.46    | -                      | 10.66   | -            | -            | -                    | 21.12 |
| (iii) Disputed dues – MSME  | -        | -                      | -   | -            | -            | -                    | -     |
| (iv) Disputed dues - Others | -        | -                      | -   | -            | -            | -                    | -     |

### Micro, Small and Medium Enterprises:

Based on and to the extent of the information received by the Group from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as “the MSMED Act”) are given below:

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>(a) Dues remaining unpaid to any supplier at the year end</b>  | <b>0.05</b>            | <b>0.03</b>            |
| - Principal   | -                      | -                      |
| - Interest on above   | -                      | -                      |
| <b>(b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year</b>     |                        |                        |
| - Principal paid beyond the appointed date  | -                      | -                      |
| - Interest paid in terms of Section 16 of the MSMED Act   | -                      | -                      |
| <b>(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year</b>                                     | <b>-</b>               | <b>-</b>               |
| <b>(d) Amount of interest accrued and remaining unpaid</b>  |                        |                        |
| <b>(e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises</b> | <b>-</b>               | <b>-</b>               |



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## 14 DEBT SECURITIES (AT AMORTISED COST) (REFER NOTE 14.1)

(₹ In Crores)

|                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------|------------------------|------------------------|
| Secured non-convertible debentures | 1,475.00               | 531.25                 |
| Secured Market Linked debenture    | -                      | 100.00                 |
| Less: Unamortised borrowing costs  | (11.36)                | (4.39)                 |
| <b>Total</b>                       | <b>1,463.64</b>        | <b>626.86</b>          |
| Debt securities in India           | 1,463.64               | 626.86                 |
| Debt securities outside India      | -                      | -                      |
| <b>Total</b>                       | <b>1,463.64</b>        | <b>626.86</b>          |

### 14.1 Details of terms of redemption/repayment in respect of debt securities:

(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment  | Security  |
|---|------------------------|------------------------|---|---|
| <b>Debentures</b>   |                        |                        |   |   |
| 500 rated, listed, redeemable, senior, secured, non-convertible debentures of ₹ 10,00,000 each                                    | -                      | 6.25                   | Coupon Rate: Benchmark Rate +173 bps<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Quarterly<br>Tenor : 2 years                                     | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10,000, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures ₹ 1,00,000 each              | 100.00                 | 100.00                 | Coupon Rate: Benchmark Rate +271 bps<br>Coupon Payment frequency : Quarterly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 3 years      | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10000, rated, listed, senior, secured, redeemable, taxable, transferable, non-convertible debentures of ₹ 1,00,000 each           | 100.00                 | 100.00                 | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months                  | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 12,500, fully paid, senior, secured, listed, rated, taxable, redeemable, transferable, non-convertible debentures ₹ 1,00,000 each | 125.00                 | 125.00                 | Coupon Rate: Benchmark Rate +266 bps<br>Coupon Payment frequency : Yearly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 20,000 rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures of ₹ 1,00,000 each           | 150.00                 | 200.00                 | Coupon Rate: Benchmark rate<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Semi annually<br>Tenor : 4 years  | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 100.00                 | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months                  | Secured by a first ranking exclusive Hypothecation charge over Assets |

# Notes Forming Part of the Consolidated Financial Statements

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(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment   | Security  |
|---|------------------------|------------------------|--|---|
| 5000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.   | 50.00                  | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 3 years         | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 15000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 150.00                 | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 100.00                 | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 10000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 100.00                 | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 125000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures. | 125.00                 | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 years         | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 35000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 35.00                  | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 1 year 6 months | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 7500 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.   | 75.00                  | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 years         | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 65000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 65.00                  | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 years         | Secured by a first ranking exclusive Hypothecation charge over Assets |
| 15000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures.  | 150.00                 | -                      | Coupon Rate: Benchmark rate<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Semi annually<br>Tenor : 4 years                         | Secured by a first ranking exclusive Hypothecation charge over Assets |

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|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment   | Security  |
|---|------------------------|------------------------|--|---|
| 5000 Senior, secured, rated, listed, redeemable, taxable, non-convertible debentures. | 50.00                  | -                      | Coupon Rate: Fixed<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 years       | Secured by a first ranking exclusive Hypothecation charge over Assets |
| Market Linked Debentures  | -                      | 100.00                 | Coupon Rate: Market Linked<br>Coupon Payment frequency : on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 2 Year and 2 days | Secured by a first ranking exclusive Hypothecation charge over Assets |
| <b>Total debentures</b>   | <b>1,475.00</b>        | <b>631.25</b>          |  |   |

## 15 BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTISED COST)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| (a) Term loans (refer note no. 15.1)  |                        |                        |
| (i) from banks  |                        |                        |
| - In Indian Rupees  | 3,934.54               | 3,544.32               |
| - In Foreign Currency [refer note 43.3(b)]  | 804.60                 | 602.18                 |
| (ii) from NHB   | 17.26                  | 22.36                  |
| (iii) from other parties (financial institutions)                                 | 1,378.36               | 1,254.76               |
| (b) Loans repayable on demand from banks-cash credit/overdraft (Refer note below) | 221.45                 | -                      |
| (c) Short term loans from banks (Refer note below)                                | 1,075.03               | 1,114.50               |
| (d) Borrowing under securitisation  | -                      | -                      |
| Less: Unamortised borrowing costs   | (42.81)                | (41.24)                |
| <b>Total</b>  | <b>7,388.43</b>        | <b>6,496.88</b>        |
| Secured   | 7,363.48               | 6,471.97               |
| Unsecured   | 24.95                  | 24.91                  |
| <b>Total</b>  | <b>7,388.43</b>        | <b>6,496.88</b>        |
| Borrowings in India   | 7,388.43               | 6,496.88               |
| Borrowings outside India  | -                      | -                      |
| <b>Total</b>  | <b>7,388.43</b>        | <b>6,496.88</b>        |

### Note:

#### For cash credit / Overdraft and short term loans

- a) Cash credit / short term loans from banks are secured by hypothecation of movable assets of the Group and goods covered under hypothecation ("HP") agreements / Loan cum HP agreements and book debts, receivables, loans and advances and entire portfolio outstanding (except specific portfolio generated from various term loans sanctioned by various banks/financial institutions on an exclusive basis) and equitable mortgage/negative lien by deposit of title deeds on some of the Group's immovable properties, as collateral security. The loans are also guaranteed by Mr. Kamlesh Chimanlal Gandhi, Mrs. Shweta Kamlesh Gandhi and Legal heirs of Late Mr. Mukesh Chimanlal Gandhi. Overdraft loans are secured against fixed deposits placed.
- b) Interest rate range  
Interest rate ranges from 7.65% p.a. to 10.85 % p.a. as at 31 March 2025.  
Interest rate ranges from 8.75 % p.a. to 10.85 % p.a. as at 31 March 2024.

The Group has not defaulted in repayment of borrowings and interest.

The Group has borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts of the Group.

# Notes Forming Part of the Consolidated Financial Statements

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The carrying amount of financial assets which is hypothecated against all secured borrowing inclusive of margin requirement ranging from 1.10 times to 1.25 times is amounting to ₹ 9,780.18 crores (31 March 2024: ₹ 7,972.01 crores).

## 15.1 Details of terms of repayment in respect of term loans:

(₹ In Crores)

|                                     | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                             | Security   |
|-------------------------------------|------------------------|------------------------|---|--|
| Term loans from Bank (Refer note i) |                        |                        |   |  |
| Term Loan - 1                       | -                      | 25.00                  | Repayable in 12 Quarterly installments from 31 March 2022     | Exclusive charge by way of hypothecation of on standard receivables of the Borrower  |
| Term Loan - 2                       | 11.94                  | 27.95                  | Repayable in 20 Quarterly installments from 30 June 2021.     | Secured by a first ranking and exclusive charge on standard receivables of the Company created out of the loan availed. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.                       |
| Term Loan - 3                       | 44.99                  | 74.99                  | Repayable in 20 Quarterly installments from 05 November 2021. | Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 4                       | -                      | 66.67                  | Repayable in 12 Quarterly installments from 30 June 2022.     | Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.           |
| Term Loan - 5                       | -                      | 41.67                  | Repayable in 36 monthly installments from 01 May 2022.        | First Exclusive hypothecation charge on book debts created out of Bank Loan.   |
| Term Loan - 6                       | 30.13                  | 50.09                  | Repayable in 20 Quarterly installments from 31 March 2022.    | Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the company out of the proposed term loan to the Company.                                   |
| Term Loan - 7                       | -                      | 18.18                  | Repayable in 33 monthly installments from 30 July 2022.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 8                       | 4.31                   | 8.45                   | Repayable in 96 monthly installments from 7 April 2018.       | First and exclusive charge on land, property and commercial property under construction.   |
| Term Loan - 9                       | -                      | 0.34                   | Repayable in 36 monthly installments from 7 April 2021.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 10                      | -                      | 1.35                   | Repayable in 36 monthly installments from 7 April 2021.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 11                      | -                      | 0.56                   | Repayable in 36 monthly installments from 7 April 2021.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 12                      | -                      | 1.14                   | Repayable in 36 monthly installments from 7 August 2021.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 13                      | -                      | 4.55                   | Repayable in 36 monthly installments from 7 August 2021.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 14                      | -                      | 1.90                   | Repayable in 36 monthly installments from 7 August 2021.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |

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as at 31 March 2025

(₹ In Crores)

|                | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                              | Security   |
|----------------|------------------------|------------------------|--|--|
| Term Loan - 15 | -                      | 2.13                   | Repayable in 36 monthly installments from 7 January 2022.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 16 | -                      | 8.53                   | Repayable in 36 monthly installments from 7 January 2022.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 17 | -                      | 3.55                   | Repayable in 36 monthly installments from 7 January 2022.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 18 | 5.71                   | 27.94                  | Repayable in 18 Quarterly installments from 30 December 2021.  | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 19 | 33.42                  | 55.64                  | Repayable in 18 Quarterly installments from 24 September 2022. | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 20 | -                      | 20.00                  | Repayable in 10 Quarterly installments from 14 December 2022.  | Exclusive charge by way of hypothecation of on standard receivables of the Borrower  |
| Term Loan - 21 | -                      | 8.30                   | Repayable in 12 Quarterly installments from 16 December 2021.  | Exclusive charge by way of Hypothecation of book debt/receivables arising out of bank financial assets of the borrower.  |
| Term Loan - 22 | -                      | 5.00                   | Repayable in 16 Quarterly installments from 26 June 2021.      | Exclusive charge by way of hypothecation on book debts under standard assets portfolio of the borrower eligible for Bank finance.  |
| Term Loan - 23 | -                      | 21.53                  | Repayable in 18 Quarterly installments from 31 December 2020.  | Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.  |
| Term Loan - 24 | 21.05                  | 42.09                  | Repayable in 19 Quarterly installments from 30 September 2021. | Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.  |
| Term Loan - 25 | 104.99                 | 164.93                 | Repayable in 20 Quarterly installments from 31 March 2022.     | Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.  |
| Term Loan - 26 | 23.08                  | 53.85                  | Repayable in 13 Quarterly installments from 29 December 2022.  | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 27 | 67.56                  | 97.50                  | Repayable in 20 Quarterly installments from 30 September 2022. | Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.   |

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(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                              | Security   |
|---|------------------------|------------------------|--|--|
| Term Loan - 28  | 66.67                  | 133.33                 | Repayable in 12 Quarterly installments from 30 June 2023.      | Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.             |
| Term Loan - 29  | 8.27                   | 24.96                  | Repayable in 36 monthly installments from 30 October 2022.     | Exclusive charge on the specific standard book debts/ loan receivables of company.   |
| Term Loan - 30  | 4.99                   | 15.00                  | Repayable in 12 Quarterly installments from 23 December 2022.  | Exclusive first charge by way of hypothecation of receivables created out of bank finance.   |
| Term Loan - 31  | 27.27                  | 54.55                  | Repayable in 33 monthly installments from 31 July 2023.        | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 32  | 4.37                   | 19.07                  | Repayable in 36 monthly installments from 7 June 2022.         | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 33  | 18.15                  | 51.08                  | Repayable in 36 monthly installments from 7 October 2022.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 34  | 18.06                  | 34.72                  | Repayable in 36 monthly installments from 7 May 2023.          | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 35  | 37.50                  | 62.50                  | Repayable in 16 Quarterly installments from 31 December 2022.  | Secured by exclusive charge on the book debt and receivables of the company  |
| Term Loan - 36  | 82.50                  | 112.50                 | Repayable in 20 Quarterly installments from 29 March 2023.     | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 37  | 43.75                  | 68.75                  | Repayable in 16 Quarterly installments from 31 March 2023.     | Secured by exclusive charge on the book debt and receivables of the company  |
| Term Loan - 38  | 90.00                  | 120.00                 | Repayable in 20 Quarterly installments from 31 May 2023.       | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 39  | 8.29                   | 41.64                  | Repayable in 12 Quarterly installments from 29 September 2022. | First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.  |
| Term Loan - 40<br>(refer note below)  | 221.21                 | 300.33                 | Repayable in 20 Quarterly installments from 31 January 2023.   | Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.   |
| Note : Out of the above ₹ 221.21 crore outstanding as on 31 March 2025, ₹ 3.29 crore is in Indian Rupees and remaining amount of ₹ 217.92 crore is in foreign currency. |                        |                        |  |  |
| Term Loan - 41  | 13.00                  | 25.00                  | Repayable in 30 monthly installments from 6 November 2023.     | Exclusive charge by way of hypothecation of the specific receivables/book debt of the company  |



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(₹ In Crores)

|                | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                               | Security   |
|----------------|------------------------|------------------------|---|--|
| Term Loan - 42 | 2.29                   | 16.00                  | Repayable in 36 monthly installments from 29 July 2022.         | Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed .  |
| Term Loan - 43 | 5.00                   | 11.66                  | Repayable in 12 Quarterly installments from 31 March 2023.      | Secured by exclusive charge on the book debt and receivables of the company.   |
| Term Loan - 44 | 4.17                   | 14.17                  | Repayable in 36 monthly installments from 25 September 2022.    | Secured by first and exclusive charge on Book Debts/ Loan assets of the Company.   |
| Term Loan - 45 | 80.77                  | 126.92                 | Repayable in 13 Quarterly installments from 20 December 2023    | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 46 | 15.38                  | 23.08                  | Repayable in 13 Quarterly installments from 16 March 2024 .     | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 47 | 120.06                 | 170.00                 | Repayable in 20 Quarterly installments from 30 September 2023.  | Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.   |
| Term Loan - 48 | 9.86                   | 18.10                  | Repayable in 36 monthly installments from 01 June 2023          | First and Exclusive charge by Hypothecation of Book Debts  |
| Term Loan - 49 | 70.03                  | 89.97                  | Repayable in 20 Quarterly installments from 31 Decemember 2023. | Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the company out of the proposed term loan to the Company.                                     |
| Term Loan - 50 | 14.55                  | 22.91                  | Repayable in 12 Quarterly Installments from 28 March, 2024      | Exclusive charge on book debts by way of hypothecation on specific standard receivables of the company   |
| Term Loan - 51 | 33.31                  | 50.00                  | Repayable in 36 monthly installments from 28 April 2024.        | Exclusive charge on the specific standard book debts/ loan receivables of company.   |
| Term Loan - 52 | 30.56                  | 44.00                  | Repayable in 36 monthly installments from 7 May 2024.           | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 53 | 54.00                  | 84.86                  | Repayable in 36 monthly installments from 7 February 2024.      | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 54 | 48.57                  | 82.86                  | Repayable in 36 monthly installments from 7 October 2023.       | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 55 | 105.00                 | 135.00                 | Repayable in 20 Quarterly installments from 30 November 2023    | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 56 | 52.50                  | 67.50                  | Repayable in 20 Quarterly installments from 28 December 2023    | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |

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(₹ In Crores)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                              | Security   |
|---|------------------------|------------------------|--|--|
| Term Loan - 57  | 56.25                  | 71.25                  | Repayable in 20 Quarterly installments from 05 February 2024   | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 58  | 20.83                  | 37.50                  | Repayable in 12 Quarterly installments from 30 September 2023. | First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.  |
| Term Loan - 59  | 25.00                  | 41.67                  | Repayable in 12 Quarterly Installments from 31 October 2023    | Hypothecation on the Specific unencumbered secured standard loan receivables and book debts of the company arising from loans and advances.  |
| Term Loan - 60  | 41.67                  | 75.00                  | Repayable in 36 monthly installments from 30 July 2023.        | Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed .  |
| Term Loan - 61<br>(refer note below)  | 351.82                 | 451.52                 | Repayable in 20 Quarterly installments from 25 December 2023.  | Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.   |
| Note : Out of the above ₹ 351.82 crore outstanding as on 31 March 2025, ₹ 1.30 crore is in Indian Rupees and remaining amount of ₹ 350.52 crore is in foreign currency. |                        |                        |  |  |
| Term Loan - 62  | 68.70                  | 100.00                 | Repayable in 36 monthly installments from 30 April 2024.       | Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed .  |
| Term Loan - 63  | 50.00                  | 83.30                  | Repayable in 12 Quarterly installments from 31 December 2023.  | Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.  |
| Term Loan - 64  | 137.36                 | 187.50                 | Repayable in 16 Quarterly Installments from 31 march, 2024     | Exclusive First charge by way of hypothecation over specific Standard receivables.   |
| Term Loan - 65  | 84.62                  | -                      | Repayable in 13 Quarterly installments from 31 December 2024   | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 66  | 21.15                  | -                      | Repayable in 13 Quarterly installments from 31 December 2024   | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 67  | 64.62                  | -                      | Repayable in 13 Quarterly installments from 31 March 2025      | Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.   |
| Term Loan - 68  | 100.00                 | -                      | Repayable in 12 Quarterly installments from 01 May 2025        | First Exclusive hypothecation charge on book debts created out of Bank Loan.   |
| Term Loan - 69  | 25.00                  | -                      | Repayable in 12 Quarterly installments from 01 June 2025       | First Exclusive hypothecation charge on book debts created out of Bank Loan.   |
| Term Loan - 70  | 183.33                 | -                      | Repayable in 12 Quarterly installments from 31 March 2025      | Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.             |

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                               | Security   |
|--|------------------------|------------------------|---|--|
| Term Loan - 71   | 180.00                 |                        | - Repayable in 20 Quarterly installments from 30 December 2024  | Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.   |
| Term Loan - 72   | 169.73                 |                        | - Repayable in 20 Quarterly installments from 30 September 2024 | Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the company out of the proposed term loan to the Company.                                     |
| Term Loan - 73   | 32.70                  |                        | - Repayable in 12 Quarterly installments from 29 December 2024  | Exclusive charge on book debts by way of hypothecation on specific standard receivables of the company   |
| Term Loan - 74   | 98.48                  |                        | - Repayable in 33 monthly installments from 25 September 2024   | Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .   |
| Term Loan - 75   | 37.50                  |                        | - Repayable in 8 quarterly installments from 28 September 2024  | Exclusive charge by way of hypothecation of on standard receivables of the Borrower  |
| Term Loan - 76   | 135.00                 |                        | - Repayable in 20 Quarterly installments from 29 December 2024  | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 77   | 47.50                  |                        | - Repayable in 20 Quarterly installments from 12 March 2025     | Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi. |
| Term Loan - 78   | 75.00                  |                        | - Repayable in 12 Quarterly installments from 29 September 2024 | First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.  |
| Term Loan - 79   | 100.00                 |                        | - Repayable in 12 Quarterly installments from 30 June 2025      | Exclusive Charge by way of hypothecation of the standard book debt ceated out of the bank financed to the company.   |
| Term Loan - 80   | 60.00                  |                        | - Repayable in 12 Quarterly installments from 27 June 2025      | Exclusive charge by way of hypothecation on standard loan receivables of the Borrower  |
| Term Loan - 81<br>(refer note below)   | 117.47                 |                        | - Repayable in 20 Quarterly installments from 25 March 2025     | Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.   |
| Note : Out of the above ₹ 117.47 crore outstanding as on 31 March 2025, ₹ 0.01 crore is in Indian Rupees and remaining amount of ₹ 117.46 crore is in foreign currency.  |                        |                        |   |  |
| Term Loan - 82<br>(refer note below)   | 273.86                 |                        | - Repayable in 20 Quarterly installments from 25 April 2025     | Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.   |
| Note : Out of the above ₹ 273.86 crore outstanding as on 31 March 2025, ₹ 200.01 crore is in Indian Rupees and remaining amount of ₹ 73.85 crore is in foreign currency. |                        |                        |   |  |
| Term Loan - 83   | 45.83                  |                        | - Repayable in 36 monthly installments from 30 April 2024.      | Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed .  |

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

(₹ In Crores)

|                | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                                     | Security   |
|----------------|------------------------|------------------------|---|--|
| Term Loan - 84 | 162.49                 | -                      | Repayable in 16 Quarterly Installments from 30 September 2024         | Exclusive First charge by way of hypothecation over specific Standard receivables.   |
| Term Loan - 85 | 47.22                  | -                      | Repayable in 36 monthly installments from 17 February 2025            | Exclusive charge on specific standard book debts and receivables which are financed/to be financed by the company.   |
| Term Loan - 86 | 0.33                   | 2.48                   | Repayment in 57 Monthly Instalments starting from 30 October 2020     | Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the company out of the bank finance to the company. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loan - 87 | 6.37                   | 13.94                  | Repayment in 60 Monthly Instalments starting from 30 July 2021        | Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the company out of the bank finance to the company. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loan - 88 | 0.39                   | 2.06                   | Repayment in 24 Quarterly Instalments starting from 31 January 2019   | The Loan is secured by Exclusive charge by way of hypothecation on standard assets portfolio of receivables (excluding stressed assets). Personal Guarantee of Mr. Kamlesh Gandhi.   |
| Term Loan - 89 | 0.38                   | 1.22                   | Repayment in 24 Quarterly Instalments starting from 30 September 2019 | The Loan is secured by Exclusive charge by way of hypothecation on standard assets portfolio of receivables (excluding stressed assets). Personal Guarantee of Mr. Kamlesh Gandhi.   |
| Term Loan - 90 | 2.02                   | 3.69                   | Repayment in 24 Quarterly Instalments from 31 December 2020           | The Loan is secured by Exclusive charge by way of hypothecation on standard assets portfolio of receivables (excluding stressed assets). Personal Guarantee of Mr. Kamlesh Gandhi.   |
| Term Loan - 91 | 4.33                   | 6.84                   | Repayment in 24 Quarterly Instalments from 30 June 2021               | The Loan is secured by Exclusive charge by way of hypothecation on standard assets portfolio of receivables (excluding stressed assets). Personal Guarantee of Mr. Kamlesh Gandhi.   |
| Term Loan - 92 | 2.93                   | 6.99                   | Repayment in 26 Quarterly Instalments starting from 28 February 2019  | Loan is secured by Hypothecation on receivables. Personal Guarantee of Mr. Kamlesh Gandhi & Mrs Shweta Gandhi.   |
| Term Loan - 93 | -                      | 0.40                   | Repayment in 24 Quarterly Instalments from 31 March 2018              | The Term loan shall be secured by first ranking and exclusive charge on standard receivables of the Company (identified loan assets) sufficient to provide one time security cover of the outstanding amount of the term loan on a continuous basis, during the tenure of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi. |
| Term Loan - 94 | 2.49                   | 4.50                   | Repayment in 20 Quarterly Instalments from 25 September 2021          | Exclusive charge by way of hypothecation of book debts, which are financed/ to be financed by the company out of the bank financed to the Company. Personal Guarantee of Mr. Kamlesh Gandhi.   |
| Term Loan - 95 | 16.17                  | 24.21                  | Repayment in 10 Quarterly Instalments from 25 June 2022               | Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the company out of the bank finance to the company. Personal Guarantee of Mr. Kamlesh Gandhi.  |

## Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment   | Security  |
|--|------------------------|------------------------|---|---|
| Term Loan - 96   | 5.36                   | 6.78                   | Repayment in 28 Quarterly Instalments from 31 March 2022  | First & Exclusive Charge by way of Hypothecation of such of the book debts, which are financed to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi.   |
| Term Loan - 97   | 5.00                   | 7.00                   | Repayment in 20 Quarterly Instalments from 22 December 2022   | Exclusive charge by way of hypothecation of book debts, which are financed/ to be financed by the company out of the bank financed to the Company. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loan - 98   | 13.79                  | 19.63                  | Repayment in 48 Monthly Instalments from 15 April 2023  | First Exclusive charge by way of hypothecation on the company's present and future loan receivables. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loan - 99   | 6.78                   | 8.21                   | Repayment in 28 Quarterly Instalments from 8 March 2023   | First & Exclusive Charge by way of Hypothecation of such of the book debts, which are financed to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi  |
| Term Loan - 100  | 20.37                  | 24.07                  | Exclusive charge by way of hypothecation of such book debts , which are financed/to be financed by the company out of bank finance. | Exclusive charge by way of hypothecation of such book debts , which are financed/to be financed by the company out of bank finance.   |
| Term Loan - 101  | 12.32                  | 14.46                  | Repayment in 84 monthly installments from 21 January 2024   | Exclusive charge by way of hypothecation of specific loan receivables/ book debts of the company.   |
| Term Loan - 102  | 7.00                   | 9.00                   | Repayment in 20 Quarterly Instalments from 27 December 2023   | Exclusive charge by way of hypothecation of book debts, which are financed/ to be financed by the company out of the bank financed to the Company. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loan - 103  | 4.08                   | 5.00                   | Repayment in 60 monthly installments from 07 May 2024   | First & Exclusive Hypothecation of book debts / receivables   |
| Term Loan - 104  | 17.50                  | 22.50                  | Repayment in 20 Quarterly Instalments from 30 November 2023   | Exclusive charge on present and future book debts and receivables   |
| Term Loan - 105  | 8.29                   | 9.73                   | Repayment in 84 monthly installments from 30 January 2024   | Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the company out of the bank finance to the company. Personal Guarantee of Mr. Kamlesh Gandhi.   |
| Term Loan - 106  | 44.88                  | 25.15                  | Repayment in 40 Quarterly Instalments from 30 April 2024  | Loan is secured by Hypothecation on receivables. Personal Guarantee of Mr. Kamlesh Gandhi & Mrs Shweta Gandhi.  |
| Note: Out of the above ₹ 44.88 crores outstanding as on 31 March 2025, ₹ 0.01 crore is in Indian Rupees and remaining amount of ₹ 44.87 crores is in foreign currency. |                        |                        |   |   |
| Term Loan - 107  | 11.25                  | 13.39                  | Repayment in 28 Quarterly Instalments from 30 September 2023  | The Term loan shall be secured by first ranking and exclusive charge on standard receivables of the Company (identified loan assets) sufficient to provide security cover of the outstanding amount of the term loan on a continuous basis, during the tenure of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi. |

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

(₹ In Crores)

|                                    | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                                   | Security   |
|------------------------------------|------------------------|------------------------|---|--|
| Term Loan - 108                    | 10.17                  | 13.25                  | Repayment in 60 Monthly Instalments starting from 25 September 2023 | First and Exclusive Charge on book debt/Loan Assets of the company   |
| Term Loan - 109                    | 19.66                  | -                      | Repayment in 60 Monthly Instalments starting from 27 March 2025     | Exclusive first charge by way of hypothecation of such of the book debts, which are financed / to be financed by the company out of the bank finance to the company. Company should maintain 1.11 times security cover of outstanding amount of Term Loan.   |
| Term Loan - 110                    | 20.00                  | -                      | Repayment in 96 Monthly Instalments starting from 30 April 2025     | Exclusive first charge by way of hypothecation of such of the book debts, which are financed / to be financed by the company out of the bank finance to the company. Company should maintain 1.11 times security cover of outstanding amount of Term Loan. Personal Guarantee of Mr. Kamlesh Gandhi. |
| Term Loan - 111                    | 13.15                  | -                      | Repayment in 84 monthly installments from 30 January 2024           | Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the company out of the bank finance to the company. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loan - 112                    | 19.00                  | -                      | Repayment in 20 Quarterly Instalments from 27 March 2025            | 1 <sup>st</sup> exclusive charge (floating) over loan receivables of the company with 1.10x cover.   |
| Term Loan - 113                    | 4.75                   | -                      | Repayment in 20 Quarterly Instalments from 31 March 2025            | 1 <sup>st</sup> exclusive charge (floating) over loan receivables of the company with 1.10x cover.   |
| Term Loan - 114                    | 10.00                  | -                      | Repayment in 20 Quarterly Instalments from 27 June 2025             | Exclusive charge by way of hypothecation of book debts, which are financed/ to be financed by the company out of the bank financed to the Company.   |
| <b>Total term loans from banks</b> | <b>4,739.15</b>        | <b>4,146.50</b>        |   |  |

**Note (i)**

Interest rate ranges from 6.13% p.a to 12.15% p.a as at 31 March 2025.

Interest rate ranges from 6.76% p.a to 11.70% p.a as at 31 March 2024.

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                          | Security  |
|--|------------------------|------------------------|--|---|
| <b>Term loans from NHB (Refer note ii)</b> |                        |                        |  |   |
| Term Loan from NHB - 1                     | 0.22                   | 0.73                   | Repayment in 39 Quarterly Instalments from 01 July 2017    | First & Exclusive Hypothecation of Specific Receivables of the company. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi. |
| Term Loan from NHB - 2                     | 0.61                   | 1.04                   | Repayment in 39 Quarterly Instalments from 01 October 2017 | First & Exclusive Hypothecation of Specific Receivables of the company. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi. |
| Term Loan from NHB - 3                     | 0.71                   | 1.12                   | Repayment in 60 Quarterly Instalments from 01 October 2019 | First & Exclusive Hypothecation of Specific Receivables of the company. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi. |
| Term Loan from NHB - 4                     | 1.69                   | 1.96                   | Repayment in 60 Quarterly Instalments from 01 July 2020    | First & Exclusive Hypothecation of Specific Receivables of the company. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi. |



## Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

(₹ In Crores)

|                                  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                          | Security   |
|----------------------------------|------------------------|------------------------|--|--|
| Term Loan from NHB - 5           | 1.48                   | 1.80                   | Repayment in 39 Quarterly Instalments from 01 October 2020 | First & Exclusive Hypothecation of Specific Receivables of the company. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.  |
| Term Loan from NHB - 6           | 0.41                   | 0.50                   | Repayment in 39 Quarterly Instalments from 31 July 2020    | First & Exclusive Hypothecation of Specific Receivables of the company. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.  |
| Term Loan from NHB - 7           | 0.13                   | 0.46                   | Repayment in 51 Quarterly Instalments from 01 July 2014    | A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company. Corporate Guarantee of MAS Financial Services Ltd.                             |
| Term Loan from NHB - 8           | 3.66                   | 4.76                   | Repayment in 27 Quarterly Instalments from 01 October 2022 | A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company. Personal Guarantee of Mr. Kamlesh Gandhi.                                      |
| Term Loan from NHB - 9           | 1.15                   | 1.41                   | Repayment in 36 Quarterly Instalments from 01 October 2022 | A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company. Personal Guarantee of Mr. Kamlesh Gandhi.                                      |
| Term Loan from NHB - 10          | 3.76                   | 4.38                   | Repayment in 27 Quarterly Instalments from 01 July 2023    | A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Bank Guarantee of ICICI Bank Ltd. |
| Term Loan from NHB - 11          | 3.25                   | 3.96                   | Repayment in 27 Quarterly Instalments from 01 July 2023    | A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Bank Guarantee of ICICI Bank Ltd. |
| Term Loan from NHB - 12          | 0.19                   | 0.23                   | Repayment in 40 Quarterly Instalments from 01 July 2023    | A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Bank Guarantee of ICICI Bank Ltd. |
| <b>Total term loans from NHB</b> | <b>17.26</b>           | <b>22.36</b>           |  |  |

### Note (ii):

Interest rate ranges from 2.80% p.a to 9.60% p.a as at 31 March 2025.

Interest rate ranges from 2.80% p.a to 9.60% p.a as at 31 March 2024.

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                          | Security   |
|--|------------------------|------------------------|--|--|
| <b>Term loans from others (Refer note iii)</b> |                        |                        |  |  |
| Term Loans from a Financial Institution - 1    | 25.00                  | 25.00                  | Bullet Repayment on 17 August 2026.                        | N.A.   |
| Term Loans from a Financial Institution - 2    | -                      | 8.33                   | Repayable in 36 monthly installments from 31 October 2021. | Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed. |

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                           | Security  |
|--|------------------------|------------------------|---|---|
| Term Loans from a Financial Institution - 3  | 6.67                   | 20.00                  | Repayable in 12 Quarterly installments from 5 October 2022. | Secured by exclusive charge on the book debt and receivables of the company   |
| Term Loans from a Financial Institution - 4  | 12.42                  | 37.25                  | Repayable in 36 monthly installments from 5 October 2022.   | Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility.    |
| Term Loans from a Financial Institution - 5  | 18.15                  | 36.35                  | Repayable in 11 Quarterly installments from 10 July 2023.   | Secured by Exclusive first charge by way of hypothecation of book debts and receivables charged exclusive for the loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi. |
| Term Loans from a Financial Institution - 6  | 40.00                  | 80.00                  | Repayable in 20 Quarterly installments from 30 June 2021.   | Exclusive charge by way of hypothecation of the specific receivables/book debts. Liquid collateral of 10% of the sanctioned amount.   |
| Term Loans from a Financial Institution - 7  | 15.00                  | 75.00                  | Repayable in 30 monthly installments from 10 January 2023.  | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                       |
| Term Loans from a Financial Institution - 8  | 22.30                  | 75.70                  | Repayable in 31 monthly installments from 10 February 2023. | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                       |
| Term Loans from a Financial Institution - 9  | 18.76                  | 53.53                  | Repayable in 36 monthly installments from 10 October 2022.  | Secured by hypothecation of specific book debts created out of the loan availed.  |
| Term Loans from a Financial Institution - 10 | 9.37                   | 21.88                  | Repayable in 8 Quarterly installments from 31 March 2024    | Secured by exclusive charge on the book debt and receivables of the company.  |
| Term Loans from a Financial Institution - 11 | 40.00                  | 66.67                  | Repayable in 36 monthly installments from 5 October 2023.   | Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility.    |
| Term Loans from a Financial Institution - 12 | 175.00                 | 175.00                 | Bullet Repayment on 11 December 2026.                       | Secured by Exclusive first charge by way of hypothecation of book debts and receivables charged exclusive for the loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi. |
| Term Loans from a Financial Institution - 13 | 43.62                  | 72.72                  | Repayable in 11 quarterly installments from 01 April, 2024  | First and exclusive charge by way of Hypothecation on standard book debts   |
| Term Loans from a Financial Institution - 14 | 36.19                  | 52.00                  | Repayable in 33 Monthly installments from 31 May 2024       | First and exclusive charge by way of Hypothecation on standard book debts   |
| Term Loans from a Financial Institution - 15 | 29.43                  | 45.09                  | Repayable in 36 Monthly installments from 05 December 2023  | First and exclusive charge by way of Hypothecation over the standard loan receivables   |
| Term Loans from a Financial Institution - 16 | 49.63                  | 79.51                  | Repayable in 33 monthly installments from 10 March 2024.    | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                       |

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                                  | Security   |
|--|------------------------|------------------------|--|--|
| Term Loans from a Financial Institution - 17 | 70.60                  | 100.00                 | Repayable in 33 monthly installments from 10 June 2024.            | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                    |
| Term Loans from a Financial Institution - 18 | 83.30                  | 118.00                 | Repayable in 33 monthly installments from 10 June 2024.            | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.                    |
| Term Loans from a Financial Institution - 19 | 43.06                  | -                      | Repayable in 36 monthly installments from 5 November 2024          | Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility. |
| Term Loans from a Financial Institution - 20 | 44.44                  | -                      | Repayable in 36 monthly installments from 5 December 2024.         | Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility. |
| Term Loans from a Financial Institution - 21 | 250.00                 | -                      | Repayable in 11 quarterly installments from 30 June 2025           | Exclusive charge by way of hypothecation of the specific receivables/book debts.   |
| Term Loans from a Financial Institution - 22 | 100.00                 | -                      | Repayable in 31 monthly installments from 10 September 2025        | Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loans from a Financial Institution - 23 | 100.00                 | -                      | Repayable in 36 monthly installments from 5 May 2025               | First and exclusive charge by way of Hypothecation over the standard loan receivables  |
| Term Loans from a Financial Institution - 24 | 7.00                   | 11.00                  | Repayment in 60 Monthly Instalments starting from 15 January 2022  | Exclusive charge on specific loan assets / book debts of the company assigned to TCFSL. Personal Guarantee of Mr. Kamlesh Gandhi.  |
| Term Loans from a Financial Institution - 25 | 9.20                   | 11.95                  | Repayment in 60 Monthly Instalments starting from 01 February 2023 | Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of ABFL loan.  |
| Term Loans from a Financial Institution - 26 | 3.19                   | 3.93                   | Repayment in 84 Monthly Instalments starting from 1 November 2022  | Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of SHFL loan.  |
| Term Loans from a Financial Institution - 27 | 6.73                   | 8.21                   | Repayment in 84 Monthly Instalments starting from 01 February 2023 | Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of SHFL loan.  |
| Term Loans from a Financial Institution - 28 | 6.73                   | 8.21                   | Repayment in 84 Monthly Instalments starting from 01 February 2023 | Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of SHFL loan.  |
| Term Loans from a Financial Institution - 29 | 8.28                   | 13.01                  | Repayment in 52 Monthly Instalments starting from 15 October 2022  | Exclusive charge on specific loan assets / book debts of the company assigned to TCFSL . Personal Guarantee of Mr. Kamlesh Gandhi.   |
| Term Loans from a Financial Institution - 30 | 39.74                  | 47.50                  | Repayment in 60 Monthly Instalments starting from 05 Janaury 2024  | First and exclusive charge by way of hypothecation over the standard loan receivables  |
| Term Loans from a Financial Institution - 31 | 7.50                   | 8.93                   | Repayment in 84 Monthly Instalments starting from 31 July 2023     | Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of SHFL loan.  |

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/<br>repayment                                    | Security   |
|--|------------------------|------------------------|--|--|
| Term Loans from a Financial Institution - 32 | 9.67                   |                        | - Repayment in 60 Monthly Instalments starting from 05 February 2025 | Exclusive first charge on the loan portfolio of the Borrower by way of hypothecation on the loan installments receivables created from the proceeds of the Facility, with a minimum asset cover of 1.10x |
| Term Loans from a Financial Institution - 33 | 47.38                  |                        | - Repayment in 120 Monthly Instalments starting from 01 July 2024    | First and exclusive floating charge by way of hypothecation of receivables not less than 110% of the outstanding loan  |
| <b>Total term loans from others</b>          | <b>1,378.35</b>        | <b>1,254.76</b>        |  |  |

**Note (iii):**

Interest rate ranges from 7.50% p.a to 12.00% p.a as at 31 March 2025.

Interest rate ranges from 7.50% p.a to 11.90% p.a as at 31 March 2024.

## 16 SUBORDINATED LIABILITIES (AT AMORTISED COST)

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Unsecured debentures (refer note no. 16.1) | 310.00                 | 310.00                 |
| Less: Unamortised borrowing costs          | (6.35)                 | (7.89)                 |
| <b>Total</b>                               | <b>303.65</b>          | <b>302.11</b>          |
| Subordinated liabilities in India          | 303.65                 | 302.11                 |
| Subordinated liabilities outside India     | -                      | -                      |
| <b>Total</b>                               | <b>303.65</b>          | <b>302.11</b>          |

### 16.1 Details of terms of redemption/repayment in respect of subordinated liabilities:

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment  | Security |
|--|------------------------|------------------------|---|----------|
| <b>Subordinated liabilities</b>  |                        |                        |   |          |
| 50, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 100 lakhs each | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.     |
| 500, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 10 lakhs each                             | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 6 years              | N.A.     |
| 250, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 10 lakhs each                             | 25.00                  | 25.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.     |

## Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

|  | As at<br>31 March 2025 | As at<br>31 March 2024 | Terms of redemption/ repayment  | (₹ In Crores)<br>Security |
|--|------------------------|------------------------|---|---------------------------|
| 3500, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 1 lakhs each                             | 35.00                  | 35.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 6 years              | N.A.                      |
| 5000, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.                      |
| 5000, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.                      |
| 5000, 10.75% rated, listed, subordinated, unsecured, redeemable, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each | 50.00                  | 50.00                  | Coupon Rate: 10.75% p.a.<br>Coupon Payment frequency : Monthly and on Maturity<br>Principal Payment frequency: Bullet Payment at the end of the tenor<br>Tenor : 5 years and 7 months | N.A.                      |
| <b>Total subordinated liabilities</b>  | <b>310.00</b>          | <b>310.00</b>          |   |                           |

### 17 OTHER FINANCIAL LIABILITIES

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Interest accrued but not due on borrowings                          | 21.80                  | 32.07                  |
| Interest accrued but not due on others                              | 0.04                   | 0.07                   |
| Dues to the assignees towards collections from assigned receivables | 247.76                 | 181.66                 |
| Security deposits received from borrowers                           | 0.68                   | 1.33                   |
| Advances received against loan agreements                           | -                      | 2.53                   |
| Unpaid dividend on equity shares                                    | 0.03                   | 0.02                   |
| Dealer advances   | 7.61                   | 7.12                   |
| Lease liability   | 3.91                   | 3.38                   |
| Liabilities for expenses  | 1.47                   | 8.13                   |
| Derivative financial instruments                                    | 5.15                   | -                      |
| Other payable   | 27.21                  | 22.05                  |
| <b>Total other financial liabilities</b>                            | <b>315.66</b>          | <b>258.36</b>          |

**Note :**

There are no amounts that are due and remain unpaid to Investor Education and Protection Fund as at the close of the year.

# Notes Forming Part of the Consolidated Financial Statements

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## 18 PROVISIONS

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Provision for employee benefits (Refer note 40)</b> |                        |                        |
| Compensated absences                                   | 0.30                   | 0.29                   |
| Provision for unspent CSR liability                    | 8.93                   | 9.82                   |
| <b>Total provisions</b>                                | <b>9.23</b>            | <b>10.11</b>           |

## 19 OTHER NON-FINANCIAL LIABILITIES

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Statutory remittances                        | 5.22                   | 4.90                   |
| Income received in advance                   | 1.54                   | 1.81                   |
| <b>Total other non-financial liabilities</b> | <b>6.76</b>            | <b>6.71</b>            |

## 20 EQUITY SHARE CAPITAL

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Authorized shares:</b>  |                        |                        |
| 200,000,000 Equity Shares of ₹ 10 each<br>(As at 31 March 2024: 20,00,00,000 Equity Shares of ₹ 10 each)               | 200.00                 | 200.00                 |
|  | <b>200.00</b>          | <b>200.00</b>          |
| <b>Issued, subscribed and fully paid-up shares:</b>  |                        |                        |
| 181,453,377 Equity Shares of ₹ 10 each fully paid-up<br>(As at 31 March 2024: 16,39,86,129 Equity Shares of ₹ 10 each) | 181.45                 | 163.99                 |
|  | <b>181.45</b>          | <b>163.99</b>          |

### Note :

- During the Previous year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Authorized Share Capital of the Holding Company comprising of ₹ 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 6,40,00,000 (Six Crores and Forty Lakh) Equity Shares of ₹ 10 (Rupees Ten Only) each, 400 (Four Hundred) - 9.75% Compulsorily Convertible Cumulative Preference Shares of ₹ 1,00,000 (Rupees One Lakh Only) each, 2,20,00,000 (Two Crore Twenty Lakh) 0.01% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 (Rupees Ten Only) each and 2,20,00,000 (Two Crore Twenty Lakh) - 13.31% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 (Rupees Ten Only) each was reclassified into ₹ 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 11,20,00,000 (Eleven Crores and Twenty Lakh) Equity Shares of ₹ 10 (Rupees Ten Only) each
- During the Previous year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Authorised share capital of the Holding Company has been increased from ₹ 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 11,20,00,000 (Eleven Crores and Twenty Lakh) Equity Shares of ₹ 10 (Rupees Ten Only) each to ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 10 (Rupees Ten Only) each.
- The Holding Company, during the year, has allotted 1,74,67,248 no. of equity shares of face value of ₹ 10 each, at the issue price of ₹ 286.25 per Equity Share, i.e., at a premium of ₹ 276.25 per Equity Share (which includes a discount of ₹ 15.06 per Equity Share (4.99% of the floor price, as determined in terms of the SEBI ICDR Regulations) to the floor price), aggregating to approximately ₹ 500 Crores, pursuant to Qualified Institutions Placement as on 21 June 2024.



# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

## 20.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

(₹ In Crores)

|   | As at 31 March 2025 |               | As at 31 March 2024 |               |
|---|---------------------|---------------|---------------------|---------------|
|   | No. of Shares       | (₹ in Crores) | No. of Shares       | (₹ in Crores) |
| <b>Equity Shares</b>                            |                     |               |                     |               |
| Outstanding at the beginning of the year        | 163,986,129         | 163.99        | 54,662,043          | 54.66         |
| Changes in equity share capital during the year | 17,467,248          | 17.46         | 109,324,086         | 109.33        |
| Outstanding at the end of the year              | 181,453,377         | 181.45        | 163,986,129         | 163.99        |

## 20.2 Details of shares held by each shareholder holding more than 5% shares:

(₹ In Crores)

| Class of shares / Name of shareholder                              | As at 31 March 2025   |                                   | As at 31 March 2024   |                                   |
|--|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|  | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| <b>Equity shares</b>   |                       |                                   |                       |                                   |
| Shweta Kamlesh Gandhi  | 49,015,350            | 27.01%                            | 49,015,350            | 29.89%                            |
| Mukesh C. Gandhi (Refer note below)                                | 48,470,442            | 26.71%                            | 48,470,442            | 29.56%                            |
| Kamlesh C. Gandhi  | 19,021,524            | 10.48%                            | 19,021,524            | 11.60%                            |
| Business Excellence Trust III - India Business Excellence Fund III | 12,133,737            | 6.69%                             | 12,133,737            | 7.40%                             |
| Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund      | 9,596,440             | 5.29%                             | *                     | *                                 |

\* Holding less than 5% equity shares

Note: Mr. Mukesh C. Gandhi has passed away on 19 January 2021.

## 20.3 Details of bonus shares issued during the five years immediately preceding the balance sheet date:

10,93,24,086 equity shares of ₹ 10 each fully paid-up were allotted as bonus shares by capitalisation of general reserve and balance from the statement of profit and loss during the year ended 31 March 2024.

## 20.4 Terms/ rights attached to equity shares

The Holding Company has one 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 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. In the event of liquidation of the Holding Company, the equity shareholders of the Holding Company will be entitled to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

## 20.5 Details of shares held by promoters (including promoter group) of the Company:

(₹ In Crores)

| Promoter and promoter group name    | As at 31 March 2025   |                                   | As at 31 March 2024   |                                   | % Change during the current year (24-25) |
|-------------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|--|
|                                     | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |  |
| <b>Equity shares</b>                |                       |                                   |                       |                                   |  |
| Shweta Kamlesh Gandhi               | 49,015,350            | 27.01%                            | 49,015,350            | 29.89%                            | 0.00%                                    |
| Mukesh C. Gandhi (Refer note below) | 48,470,442            | 26.71%                            | 48,470,442            | 29.56%                            | 0.00%                                    |
| Kamlesh C. Gandhi                   | 19,021,524            | 10.48%                            | 19,021,524            | 11.60%                            | 0.00%                                    |
| Prarthana Marketing Private Limited | 3,952,671             | 2.18%                             | 3,952,671             | 2.41%                             | 0.00%                                    |
| Anamaya Capital LLP                 | 299,982               | 0.17%                             | 299,982               | 0.18%                             | 0.00%                                    |
| Dhvanil K. Gandhi                   | 105,831               | 0.06%                             | 105,831               | 0.06%                             | 0.00%                                    |
| Dhriti K. Gandhi                    | 36,162                | 0.02%                             | 36,162                | 0.02%                             | 0.00%                                    |

Note: Mr. Mukesh C. Gandhi has passed away on 19 January 2021.

# Notes Forming Part of the Consolidated Financial Statements

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## 21 OTHER EQUITY (REFER NOTE 21.1)

(₹ In Crores)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| <b>Reserve under section 45-IC of Reserve Bank of India Act, 1934 (the "RBI Act, 1934")</b>  |                        |                        |
| Outstanding at the beginning of the year   | 301.65                 | 252.10                 |
| Additions during the year  | 61.18                  | 49.55                  |
| Outstanding at the end of the year   | 362.83                 | 301.65                 |
| <b>Equity component of compound financial instruments- optionally convertible preference shares</b>  |                        |                        |
| Outstanding at the beginning of the year   | 0.12                   | 0.11                   |
| Add: Effect of changes in the Group's interest   | 0.01                   | 0.01                   |
| Outstanding at the end of the year   | 0.13                   | 0.12                   |
| <b>Reserve fund under section 29C of The National Housing Bank Act, 1987 ("NHB Act")</b>   |                        |                        |
| Opening balance  |                        |                        |
| a. Statutory reserve u/s 29C of NHB Act  | 0.97                   | 0.60                   |
| b. Amount of special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act             | 6.22                   | 5.27                   |
| <b>c Total</b>   | <b>7.19</b>            | <b>5.87</b>            |
| Addition / appropriation / withdrawal during the year  |                        |                        |
| Add:   |                        |                        |
| a. Amount transferred u/s 29C of the NHB Act   | 0.49                   | 0.36                   |
| b. Amount of special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act             | 1.18                   | 0.85                   |
| Less:  |                        |                        |
| a. Amount appropriated u/s 29C of NHB Act  | -                      | -                      |
| b. Amount withdrawn from special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act | -                      | -                      |
| Add: Effect of changes in the Group's interest   |                        |                        |
| a. Statutory reserve u/s 29C of NHB Act  | 0.02                   | 0.01                   |
| b. Amount of special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act             | 0.11                   | 0.10                   |
| Closing balance  |                        |                        |
| a. Statutory reserve u/s 29C of NHB Act  | 1.48                   | 0.97                   |
| b. Amount of special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act             | 7.51                   | 6.22                   |
| <b>c. Total</b>  | <b>8.99</b>            | <b>7.19</b>            |
| <b>Securities premium</b>  |                        |                        |
| Outstanding at the beginning of the year   | 317.63                 | 426.95                 |
| Additions during the year  | 487.22                 | -                      |
| Deductions during the year (On issue of bonus shares)  | (15.94)                | (109.32)               |
| Outstanding at the end of the year   | <b>788.91</b>          | <b>317.63</b>          |
| <b>Retained earnings</b>   |                        |                        |
| Outstanding at the beginning of the year   | 850.75                 | 679.63                 |
| Profit for the year  | 310.38                 | 251.05                 |
| Effect of changes in the Group's interest  | (1.12)                 | (2.28)                 |
| Item of other comprehensive income recognised directly in retained earnings On defined benefit plan  | (0.56)                 | (0.38)                 |
|  | <b>1,159.45</b>        | <b>928.02</b>          |
| Appropriations:  |                        |                        |
| Transfer to reserve under section 45-IC of the RBI Act, 1934   | (61.18)                | (49.55)                |
| Reserve u/s.29C of NHB Act and special reserve u/s 36(1)(viii) of Income-tax Act, 1961   | (1.67)                 | (1.21)                 |
| Final dividend on equity shares  | (9.25)                 | (10.11)                |
| Interim dividend on equity shares  | (18.15)                | (16.40)                |
| <b>Total appropriations</b>  | <b>(90.25)</b>         | <b>(77.27)</b>         |

# Notes Forming Part of the Consolidated Financial Statements

as at 31 March 2025

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Retained earnings</b>   | <b>1,069.20</b>        | <b>850.75</b>          |
| <b>Other comprehensive income</b>  |                        |                        |
| Outstanding at the beginning of the year                                 | 141.38                 | 99.33                  |
| Loans and advances through other comprehensive Income                    | 20.58                  | 20.06                  |
| Impairment on loans and advances through OCI                             | 40.70                  | 27.01                  |
| Income tax relating to items that will be reclassified to profit or loss | (5.17)                 | (5.05)                 |
| Effect of changes in the Group's interest                                | 0.03                   | 0.03                   |
| Other comprehensive income for the year, net of tax                      | 197.52                 | 141.38                 |
| <b>Total other equity</b>  | <b>2,427.58</b>        | <b>1,618.72</b>        |

## 21.1 Nature and purpose of reserve

### 1 Reserve u/s. 45-IC of the RBI Act, 1934

Reserve u/s. 45-IC of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the NBFC except for the purpose as may be specified by RBI.

### 2 Reserve fund u/s. 29C of NHB Act

Special reserve has been created in terms of section 36(1) (viii) of the Income-tax Act, 1961 out of the distributable profits of the subsidiary company. As per section 29C of NHB Act, the subsidiary company is required to transfer at least 20% of its net profits prior to distribution of dividend every year to a reserve. For this purpose any special reserve created by the subsidiary company in terms of section 36(1) (viii) of the Income-tax Act, 1961 is considered an eligible transfer.

### 3 Equity component of compound financial instruments - optionally convertible preference shares

Equity component of compound financial instruments represents equity component of OCPS of subsidiary company.

### 4 Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of Section 52 of the Companies Act, 2013.

### 5 Retained earnings

Retained earnings is the accumulated available profit of the Group carried forward from earlier years. These reserve are free reserves which can be utilised for any purpose as may be required.

The Group recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure, which comprises of:

- i) actuarial gains and losses;
- ii) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

### 6 Other comprehensive income

#### On equity investments

The Holding Company has elected to recognise changes in the fair value of investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investments reserve within equity. The Group transfers amounts from these reserves to retained earnings when the relevant equity securities are derecognised.

#### On loans and advances

The Group recognises changes in the fair value of loans and advances in OCI. These changes are accumulated within the FVOCI - loans and advances reserve within equity. The Group transfers amounts from these reserves to retained

# Notes Forming Part of the Consolidated Financial Statements

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earnings when the loans and advances are sold. Further, impairment loss allowances on the loans measured at FVOCI are recognised in OCI.

## Remeasurement of the defined benefit liabilities

Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any.

## 21.2 Equity dividend paid and proposed

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Declared and paid during the year (Pre-Bonus)   |                        |                        |
| Dividends on equity shares:   |                        |                        |
| Final dividend for 31 March 2024: ₹ 0.51 per share (31 March 2023: ₹ 1.85 per share)    | 9.25                   | 10.11                  |
| Interim dividend for 31 March 2025: ₹ 1.00 per share (31 March 2024 : ₹ 3.00 per share) | 18.15                  | 16.40                  |
| <b>Total dividend paid</b>  | <b>27.40</b>           | <b>26.51</b>           |

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Proposed for approval at Annual General Meeting (not recognised as a liability)      |                        |                        |
| Dividend on equity shares:   |                        |                        |
| Final dividend for 31 March 2025: ₹ 0.70 per share (31 March 2024: ₹ 0.51 per share) | 12.70                  | 8.36                   |

# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

## 22 INTEREST INCOME

(₹ In Crores)

|                                  | Year ended 31 March 2025              |  |                 | Year ended 31 March 2024              |  |                 |
|----------------------------------|---------------------------------------|--|-----------------|---------------------------------------|--|-----------------|
|                                  | On Financial assets measured at FVOCI | On Financial assets measured at Amortised Cost | Total           | On financial assets measured at FVOCI | On financial assets measured at amortised cost | Total           |
| Interest on loans                | 1,148.81                              | 37.25  | 1,186.06        | 891.30                                | 45.84  | 937.14          |
| Interest income from investments | -                                     | 95.37  | 95.37           | -                                     | 76.80  | 76.80           |
| Interest on deposits with banks  | -                                     | 70.89  | 70.89           | -                                     | 57.42  | 57.42           |
| Other interest income            | 6.65                                  | 0.28   | 6.93            | 5.55                                  | 0.18   | 5.73            |
| <b>Total</b>                     | <b>1,155.46</b>                       | <b>203.79</b>                                  | <b>1,359.25</b> | <b>896.85</b>                         | <b>180.24</b>                                  | <b>1,077.09</b> |

## 23 NET GAIN ON FAIR VALUE CHANGES

(₹ In Crores)

|  | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|--------------------------|--------------------------|
| Net gain on financial instruments at fair value through profit or loss - Investments | 3.57                     | 13.27                    |
| Fair value changes:  |                          |                          |
| - Realised   | 2.80                     | 10.79                    |
| - Unrealised   | 0.77                     | 2.48                     |
| <b>Total</b>   | <b>3.57</b>              | <b>13.27</b>             |

## 24 OTHER INCOME

(₹ In Crores)

|   | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|--------------------------|--------------------------|
| Net gain/(loss) on derecognition of property, plant and equipment | -                        | 0.04                     |
| Net gain on sale of investments measured at amortized cost        | 1.24                     | 4.84                     |
| Gain on derecognition of leased asset                             | 0.02                     | 0.04                     |
| Gain on foreign currency transactions                             | (0.48)                   | 0.06                     |
| Income from non-financing activity                                | 3.40                     | 1.54                     |
| <b>Total</b>  | <b>4.18</b>              | <b>6.52</b>              |

## 25 FINANCE COST (ON FINANCIAL LIABILITIES MEASURED AT AMORTISED COST)

(₹ In Crores)

|  | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|--------------------------|--------------------------|
| Interest on borrowings                                   | 603.50                   | 533.60                   |
| Interest on debt securities                              | 86.36                    | 52.29                    |
| Interest on subordinated liabilities                     | 33.29                    | 29.55                    |
| Other interest expense                                   | 0.20                     | 0.11                     |
| Other borrowing cost                                     | 39.12                    | 30.94                    |
| lease liability interest obligation (Ind-as 116) mention | 0.33                     | 0.22                     |
| <b>Total</b>   | <b>762.80</b>            | <b>646.71</b>            |

# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

## 26 IMPAIRMENT ON FINANCIAL ASSETS

|  | (₹ In Crores)               |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| <b>Loans</b>   |                             |                             |
| - Expected credit loss (On financial instruments measured at FVOCI)          | 40.10                       | 27.52                       |
| - Expected credit loss (On financial instruments measured at amortised cost) | 1.51                        | (0.51)                      |
| - Write off (net of recoveries)  | 55.54                       | 48.16                       |
| - Loss on repossessed assets   | 30.40                       | 15.50                       |
| <b>Investments</b>   |                             |                             |
| - Expected credit loss (On financial instruments measured at amortised cost) | 0.83                        | (0.06)                      |
| <b>Total</b>   | <b>128.38</b>               | <b>90.61</b>                |

## 27 EMPLOYEE BENEFITS EXPENSE

|   | (₹ In Crores)               |                             |
|---|-----------------------------|-----------------------------|
|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Salaries and wages  | 126.62                      | 94.41                       |
| Contribution to provident fund and other funds (Refer note 40(a)) | 4.06                        | 2.98                        |
| Gratuity expense (Refer note 40(b))                               | 0.88                        | 0.75                        |
| Staff welfare expenses  | 2.50                        | 2.31                        |
| <b>Total</b>  | <b>134.06</b>               | <b>100.45</b>               |

## 28 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

|   | (₹ In Crores)               |                             |
|---|-----------------------------|-----------------------------|
|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Depreciation on property, plant and equipment | 3.95                        | 3.10                        |
| Amortisation of intangible assets             | 0.63                        | 0.52                        |
| Depreciation on Right-of-use asset            | 1.02                        | 0.67                        |
| <b>Total</b>                                  | <b>5.60</b>                 | <b>4.29</b>                 |



# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

## 29 OTHER EXPENSES

|   | Year ended<br>31 March 2025 | (₹ In Crores)<br>Year ended<br>31 March 2024 |
|---|-----------------------------|--|
| Rent  | 5.58                        | 4.70   |
| Rates and taxes   | 0.30                        | 0.26   |
| Stationery and printing                                     | 1.36                        | 1.39   |
| Telephone   | 1.18                        | 0.87   |
| Electricity   | 1.77                        | 1.46   |
| Postage and courier   | 1.67                        | 1.42   |
| Insurance   | 1.67                        | 1.18   |
| Conveyance  | 2.86                        | 2.12   |
| Travelling  | 4.82                        | 4.05   |
| Repairs and maintenance:                                    |                             |  |
| Building  | 0.18                        | 0.31   |
| Others  | 1.57                        | 1.16   |
| Professional fees   | 14.50                       | 11.36  |
| Payment to auditors (refer note below)                      | 0.52                        | 0.59   |
| Director's sitting fees                                     | 0.40                        | 0.45   |
| Legal expenses  | 6.39                        | 6.90   |
| Bank charges  | 7.45                        | 2.92   |
| Advertisement expenses                                      | 1.24                        | 1.84   |
| Sales promotion expenses                                    | 1.94                        | 0.49   |
| Recovery contract charges                                   | 1.17                        | 0.46   |
| Corporate social responsibility expenditure (Refer note 34) | 5.49                        | 4.58   |
| Credit guarantee fees                                       | 14.29                       | 6.76   |
| Miscellaneous expenses                                      | 4.45                        | 4.59   |
| <b>Total</b>  | <b>80.80</b>                | <b>59.86</b>                                 |
| <b>Note: Payment to auditors</b>                            |                             |  |
| As auditor  |                             |  |
| Statutory audit   | 0.22                        | 0.25   |
| Limited review of quarterly results                         | 0.28                        | 0.31   |
| Other services  | 0.02                        | 0.03   |
|   | <b>0.52</b>                 | <b>0.59</b>                                  |

## 30 TAX EXPENSES

The components of income tax expense for the year ended 31 March 2025 and 31 March 2024 are:

|  | Year ended<br>31 March 2025 | (₹ In Crores)<br>Year ended<br>31 March 2024 |
|--|-----------------------------|--|
| Current tax  | 106.85                      | 83.06  |
| Short / (Excess) provision for tax relating to prior years | 0.84                        | (0.21)                                       |
| Deferred tax   | (0.66)                      | 2.81   |
| <b>Total tax charge</b>                                    | <b>107.03</b>               | <b>85.66</b>                                 |
| Current tax  | 107.69                      | 82.85  |
| Deferred tax   | (0.66)                      | 2.81   |

# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

## 30.1 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 31 March 2025 and 31 March 2024 is, as follows:

|  | Year ended<br>31 March 2025 | (₹ In Crores)<br>Year ended<br>31 March 2024 |
|--|-----------------------------|--|
| Accounting profit before tax                                       | 421.01                      | 339.67                                       |
| Applicable tax rate  | 25.168%                     | 25.168%                                      |
| <b>Computed tax expense</b>  | <b>105.96</b>               | <b>85.49</b>                                 |
| <b>Tax effect of :</b>   |                             |  |
| Exempted income  | (0.33)                      | (0.32)                                       |
| Additional deduction   | (0.44)                      | (0.32)                                       |
| Non deductible items   | 1.40                        | 1.16   |
| Short / (Excess) provision for tax relating to prior years         | 0.84                        | (0.21)                                       |
| Others   | (0.40)                      | (0.14)                                       |
| <b>Tax expenses recognised in the statement of profit and loss</b> | <b>107.03</b>               | <b>85.66</b>                                 |
| Effective tax rate   | 25.42%                      | 25.22%                                       |

## 30.2 Deferred tax

|  | As at<br>31 March 2025 | (₹ In Crores)<br>As at<br>31 March 2024 |
|--|------------------------|---|
| <b>Deferred tax asset / liability (net)</b>                            |                        |   |
| The movement on the deferred tax account is as follows:                |                        |   |
| At the start of the year DTA / (DTL) (net)                             | 11.85                  | 19.33                                   |
| Credit / (charge) for loans and advances through OCI                   | (5.30)                 | (4.80)                                  |
| Credit / (charge) for remeasurement of the defined benefit liabilities | 0.19                   | 0.13                                    |
| Credit / (charge) to the statement of profit and loss                  | 0.66                   | (2.81)                                  |
| <b>At the end of year DTA / (DTL)</b>                                  | <b>7.40</b>            | <b>11.85</b>                            |

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

|   | As at<br>31 March 2024 | Statement of<br>profit and loss | OCI           | (₹ In Crores)<br>As at<br>31 March 2025 |
|---|------------------------|---------------------------------|---------------|---|
| <b>Component of deferred tax asset / (liability)</b>  |                        |                                 |               |   |
| Deferred tax asset / (liability) in relation to:  |                        |                                 |               |   |
| Difference between written down value of fixed assets as per books of accounts and income tax | (0.60)                 | (0.19)                          | -             | (0.79)                                  |
| Deferred tax on fair value of investments   | (0.63)                 | 1.04                            | -             | 0.41                                    |
| Impact of fair value of assets  | 0.35                   | (0.01)                          | (5.30)        | (4.96)                                  |
| Income taxable on realised basis  | (12.75)                | (5.88)                          | -             | (18.63)                                 |
| Deferred tax on prepaid finance charges   | (9.12)                 | (3.36)                          | -             | (12.48)                                 |
| Impairment on financial assets  | 34.10                  | 10.69                           | -             | 44.79                                   |
| Recognition of lease asset and right to use asset   | 0.05                   | 0.04                            | -             | 0.09                                    |
| Expenses allowable on payment basis   | 0.45                   | (1.67)                          | 0.19          | (1.03)                                  |
| <b>Total</b>  | <b>11.85</b>           | <b>0.66</b>                     | <b>(5.11)</b> | <b>7.40</b>                             |

# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

|   | As at<br>31 March 2023 | Statement of<br>profit and loss | OCI           | (₹ In Crores)<br>As at<br>31 March 2024 |
|---|------------------------|---------------------------------|---------------|---|
| <b>Component of deferred tax asset / (liability)</b>  |                        |                                 |               |   |
| Deferred tax asset / (liability) in relation to:  |                        |                                 |               |   |
| Difference between written down value of fixed assets as per books of accounts and income tax | (0.46)                 | (0.14)                          | -             | (0.60)                                  |
| Deferred tax on fair value of investments   | (0.01)                 | (0.62)                          | -             | (0.63)                                  |
| Impact of fair value of assets  | 5.13                   | 0.02                            | (4.80)        | 0.35                                    |
| Income taxable on realised basis  | (8.64)                 | (4.11)                          | -             | (12.75)                                 |
| Deferred tax on prepaid finance charges   | (3.94)                 | (5.18)                          | -             | (9.12)                                  |
| Impairment on financial assets  | 27.32                  | 6.78                            | -             | 34.10                                   |
| Recognition of lease asset and right to use asset   | 0.03                   | 0.02                            | -             | 0.05                                    |
| Expenses allowable on payment basis   | (0.10)                 | 0.42                            | 0.13          | 0.45                                    |
| <b>Total</b>  | <b>19.33</b>           | <b>(2.81)</b>                   | <b>(4.67)</b> | <b>11.85</b>                            |

## 30.3 CURRENT TAX LIABILITIES

|  | As at<br>31 March 2025 | (₹ In Crores)<br>As at<br>31 March 2024 |
|--|------------------------|---|
| Provision for tax [net of advance tax of ₹ 95.47 crores (31 March 2024: ₹ 78.51 crores)] | 11.38                  | 4.70                                    |

## 30.4 INCOME TAX ASSETS

|  | As at<br>31 March 2025 | (₹ In Crores)<br>As at<br>31 March 2024 |
|--|------------------------|---|
| Income tax assets [net of provision for tax] | 1.45                   | 2.52                                    |

## 31 EARNINGS PER SHARE

### (A) Basic earnings per share

|   | Year ended<br>31 March 2025 | (₹ In Crores)<br>Year ended<br>31 March 2024 |
|---|-----------------------------|--|
| <b>Computation of profit (numerator)</b>  |                             |  |
| Net profit for the year attributable to the owners of the Holding Company (basic) | 310.38                      | 251.05                                       |
| Weighted average number of equity shares of ₹ 10 each                             | 17,75,77,084                | 16,39,86,129                                 |
| Basic earnings per share of face value of ₹ 10 each (in ₹)                        | 17.48                       | 15.31  |

### (B) Diluted earnings per share

|  | Year ended<br>31 March 2025 | (₹ In Crores)<br>Year ended<br>31 March 2024 |
|--|-----------------------------|--|
| <b>Net profit for the year attributable to the owners of the Holding Company (diluted)</b> | <b>310.38</b>               | <b>251.05</b>                                |
| Weighted average number of equity shares of ₹ 10 each                                      | 17,75,77,084                | 16,39,86,129                                 |
| Diluted earnings per share of face value of ₹ 10 each (in ₹)                               | 17.48                       | 15.31  |

# Notes Forming Part of the Consolidated Financial Statements

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## 32 REVENUE FROM CONTRACTS WITH CUSTOMERS

Set out below is the disaggregation of the Group's revenue from contracts with customers and reconciliation to statement of profit and loss:

|  | Year ended<br>31 March 2025 | (₹ In Crores)<br>Year ended<br>31 March 2024 |
|--|-----------------------------|--|
| <b>Type of income</b>                              |                             |  |
| Services charges                                   | 0.39                        | 0.21   |
| Others   | 85.70                       | 71.39  |
| <b>Total revenue from contracts with customers</b> | <b>86.09</b>                | <b>71.60</b>                                 |
| <b>Geographical markets</b>                        |                             |  |
| India  | 86.08                       | 71.60  |
| Outside India                                      | -                           | -  |
| <b>Total revenue from contracts with customers</b> | <b>86.08</b>                | <b>71.60</b>                                 |
| <b>Timing of revenue recognition</b>               |                             |  |
| Services transferred at a point in time            | 86.08                       | 71.60  |
| Services transferred over time                     | -                           | -  |
| <b>Total revenue from contracts with customers</b> | <b>86.08</b>                | <b>71.60</b>                                 |

## 33 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

|  | As at<br>31 March 2025 | (₹ In Crores)<br>As at<br>31 March 2024 |
|--|------------------------|---|
| <b>(A) Contingent liabilities</b>  |                        |   |
| I) In respect of disputed tax related matters :  | 0.73                   | 0.12                                    |
| <b>(B) Commitments</b>   |                        |   |
| I) Estimated amount of contracts remaining to be executed on capital account and not provided for: |                        |   |
| Property, plant & equipment and Capital work in progress   | 0.06                   | 0.12                                    |
| II) Loan commitments for sanctioned but not disbursed amount                                       | 48.61                  | 22.25                                   |

## 34 CORPORATE SOCIAL RESPONSIBILITY ("CSR") EXPENSES:

The average profit before tax of the Group for the last three financial years was ₹ 274.30 crores (31 March 2024: ₹ 229.12 crores), basis which the Group was required to spend ₹ 5.49 crores towards CSR activities for the current financial year (31 March 2024: ₹ 4.58 crores).

### a) Amount spent during the year on:

|   | 31 March 2025 |                             |       | 31 March 2024 |                             |       |
|---|---------------|-----------------------------|-------|---------------|-----------------------------|-------|
|   | Amount Spent  | Amount Unpaid/<br>provision | Total | Amount Spent  | Amount Unpaid/<br>provision | Total |
| Construction / acquisition of any asset | -             | -                           | -     | -             | -                           | -     |
| On purpose other than (i) above         | 2.96          | 2.53                        | 5.49  | 0.49          | 4.09                        | 4.58  |

b) The Group has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24.

# Notes Forming Part of the Consolidated Financial Statements

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## c) In case of Section 135(6): Details of ongoing projects

| F.Y     | Opening balance |                             | Amount required to be spent during the year | Amount spent during the year |                               | Closing Balance |                             |
|---------|-----------------|-----------------------------|---|------------------------------|-------------------------------|-----------------|-----------------------------|
|         | With Group      | In Separate CSR Unspent A/c |   | From Group's bank A/c        | From Separate CSR Unspent A/c | With Group      | In Separate CSR Unspent A/c |
| 2024-25 | -               | 9.81                        | 5.45  | 2.92                         | 3.42                          | 2.53            | 6.39                        |
| 2023-24 | -               | 9.32                        | 4.58  | 0.49                         | 3.60                          | 4.09            | 5.72                        |
| 2022-23 | -               | 6.91                        | 4.34  | 0.36                         | 1.57                          | 3.98            | 5.34                        |
| 2021-22 | -               | 3.84                        | 4.41  | 0.42                         | 0.92                          | 3.99            | 2.92                        |
| 2021-22 | Nil             | N.A.                        | 4.18  | 0.34                         | -                             | 3.84            | -                           |

Note: Unspent CSR amount of ₹ 2.53 crores for FY 2024-25 was deposited in unspent CSR bank account on 28 April 2025.

d) **Nature of CSR activities:** Promoting education, eradicating hunger, poverty & malnutrition, promoting health care and such other activities. For more details, refer annexure of Director's report on CSR.

## 35 SEGMENT REPORTING:

Operating segment are components of the Group whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group is engaged primarily on the business of 'Financing' only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Group are in India. All non-current assets of the Group are located in India. Accordingly, there are no separate reportable segments as per Ind AS 108 – 'Operating Segments'

## 36 RELATED PARTY DISCLOSURES:

(a) **Related party disclosures as required by Ind AS 24 - 'Related Party Disclosures'.**

### List of related parties and relationships:

| S No. | Nature of Relationship  |   |
|-------|---|---|
| 1     | Key management personnel ("KMP") (where there are transactions) | Mr. Kamlesh C. Gandhi (Chairman and managing director)<br>Mrs. Darshana S. Pandya (Director and chief executive officer)<br>Mr. Dhvanil K. Gandhi (Whole Time Director) (appointed w.e.f 14 August 2024)<br>Mr. Vishal Vasu (Independent director)<br>Mr. Umesh Shah (Independent director)<br>Mr. Narayanan Sadanandan (Independent director)<br>Mrs. Daksha Shah (Independent director) (retired w.e.f 13 March 2025)<br>Dr. Barnali Chaklader (Independent woman director) (appointed w.e.f 04 March 2025) |
| 2     | Other related parties (where there are transactions)            | Anamaya Capital LLP<br>Prarthna Marketing Pvt. Ltd.<br>Mr. Kamlesh C. Gandhi (As Executor of will of Late Mr. Mukesh C. Gandhi, relative of KMP)<br>Mrs. Shweta K. Gandhi (relative of KMP)<br>Mr. Saumil D. Pandya (relative of KMP)<br>Ms. Dhriti K. Gandhi (relative of KMP)<br>Umesh Rajanikant Shah HUF (relative of KMP)<br>Pauravi Umesh Shah (relative of KMP)  |

Transactions with related parties are as follows:

|                                | Year ended 31 March 2025 |                       |       |
|--------------------------------|--------------------------|-----------------------|-------|
|                                | Key management personnel | Other related parties | Total |
| Remuneration (including bonus) | 9.42                     | 1.00                  | 10.42 |
| Expenditure reimbursed         | 0.03                     | -                     | 0.03  |
| Dividend paid                  | 2.91                     | 15.40                 | 18.31 |
| Sitting fees                   | 0.37                     | -                     | 0.37  |

(₹ In Crores)

# Notes Forming Part of the Consolidated Financial Statements

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(₹ In Crores)

|                                | Year ended 31 March 2024 |                       |       |
|--------------------------------|--------------------------|-----------------------|-------|
|                                | Key management personnel | Other related parties | Total |
| Remuneration (including bonus) | 7.19                     | 1.22                  | 8.41  |
| Dividend paid                  | 3.10                     | 16.51                 | 19.61 |
| Interest on Loan Received      | 0.01                     | -                     | 0.01  |
| Sitting fees                   | 0.41                     | -                     | 0.41  |

Balances outstanding from related parties are as follows:

(₹ In Crores)

|               | As at 31 March 2025      |                       |       |
|---------------|--------------------------|-----------------------|-------|
|               | Key management personnel | Other related parties | Total |
| Bonus payable | 0.48                     | 0.04                  | 0.52  |

|               | As at 31 March 2024      |                       |       |
|---------------|--------------------------|-----------------------|-------|
|               | Key management personnel | Other related parties | Total |
| Bonus payable | 0.39                     | 0.03                  | 0.42  |

All transactions with these related parties are priced on an arm's length basis. None of the balances are secured.

Key managerial personnel who are under the employment of the Group are entitled to post employment benefits and other employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements.

Compensation to key management personnel are as follows:

(₹ In Crores)

|                                     | Year Ended<br>31 March 2025 | Year Ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| Short-term employee benefits        | 9.42                        | 7.19                        |
| Post-employment benefits            | 0.03                        | 0.02                        |
| Other long term employment benefits | 0.01                        | 0.01                        |
|                                     | 9.46                        | 7.22                        |

The remuneration of key management personnel are determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

## 37 OFFSETTING

Following table represents the recognised financial assets that are offset, or subject to enforceable master netting arrangements and other similar arrangements but not offset, as at 31 March 2025 & 31 March 2024. The column 'net amount' shows the impact of Group's balance sheet if all the set-off rights were exercised.

(₹ In Crores)

|                    | Effect of offsetting on the balance sheet |   |                                       | Related amount not offset                      |            |
|--------------------|---|---|---------------------------------------|--|------------|
|                    | Gross amounts                             | Gross amount offset in balance sheet (refer note 1) | Net amount presented in balance sheet | Financial instrument collateral (refer note 2) | Net amount |
| 31 March 2025      |   |   |                                       |  |            |
| Loans and advances | 9,174.35                                  | 0.26  | 9,174.09                              | 0.72   | 9,173.37   |
| 31 March 2024      |   |   |                                       |  |            |
| Loans and advances | 7,732.87                                  | 13.43   | 7,719.44                              | 1.40   | 7,718.04   |

Note:

- 1 ₹ 0.26 crores (31 March 2024: ₹ 13.43 crores) represents advances received against loan agreements.
- 2 ₹ 0.72 crores (31 March 2024: 1.40 crores) represents security deposits received from borrowers.



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### 38 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE ACT.

As at 31 March 2025

(₹ In Crores)

| Name of entity in the Group                  | Net assets, i.e., total assets minus total liabilities |                 | Share of profit or loss             |               | Share of other comprehensive income (OCI) |              | Share of Total Comprehensive Income (TCI) |               |
|--|--|-----------------|-------------------------------------|---------------|---|--------------|---|---------------|
|  | As % of consolidated net assets                        | Amount          | As % of consolidated profit or loss | Amount        | As % of consolidated OCI                  | Amount       | As % of consolidated TCI                  | Amount        |
| <b>Holding Company</b>                       |  |                 |                                     |               |   |              |   |               |
| MAS Financial Services Limited               | 94.67%   | 2,509.27        | 96.93%                              | 304.35        | 94.20%                                    | 14.29        | 96.80%                                    | 318.64        |
| <b>Subsidiary</b>                            |  |                 |                                     |               |   |              |   |               |
| MAS Rural Housing & Mortgage Finance Limited | 3.76%  | 99.55           | 1.98%                               | 6.23          | 3.63%                                     | 0.55         | 2.06%                                     | 6.78          |
| MASFIN Insurance Broking Private Limited     | 0.01%  | 0.21            | (0.06%)                             | (0.20)        | (0.07%)                                   | (0.01)       | (0.06%)                                   | (0.21)        |
| Non-controlling interest                     | 1.56%  | 41.44           | 1.15%                               | 3.60          | 2.24%                                     | 0.34         | 1.20%                                     | 3.94          |
| <b>Total</b>                                 | <b>100.00%</b>   | <b>2,650.47</b> | <b>100.00%</b>                      | <b>313.98</b> | <b>100.00%</b>                            | <b>15.17</b> | <b>100.00%</b>                            | <b>329.15</b> |

As at 31 March 2024

(₹ In Crores)

| Name of entity in the Group                  | Net assets, i.e., total assets minus total liabilities |                 | Share of profit or loss             |               | Share of other comprehensive income (OCI) |              | Share of Total Comprehensive Income (TCI) |               |
|--|--|-----------------|-------------------------------------|---------------|---|--------------|---|---------------|
|  | As % of consolidated net assets                        | Amount          | As % of consolidated profit or loss | Amount        | As % of consolidated OCI                  | Amount       | As % of consolidated TCI                  | Amount        |
| <b>Holding Company</b>                       |  |                 |                                     |               |   |              |   |               |
| MAS Financial Services Limited               | 93.90%   | 1,707.45        | 96.94%                              | 246.24        | 113.38%                                   | 15.76        | 97.80%                                    | 262.00        |
| <b>Subsidiary</b>                            |  |                 |                                     |               |   |              |   |               |
| MAS Rural Housing & Mortgage Finance Limited | 4.11%  | 74.81           | 1.91%                               | 4.86          | (8.13%)                                   | (1.13)       | 1.38%                                     | 3.73          |
| MASFIN Insurance Broking Private Limited     | 0.02%  | 0.45            | (0.02%)                             | (0.05)        | 0.00%                                     | -            | (0.01%)                                   | (0.05)        |
| Non-controlling interest                     | 1.97%  | 35.86           | 1.17%                               | 2.96          | (5.25%)                                   | (0.73)       | 0.83%                                     | 2.23          |
| <b>Total</b>                                 | <b>100.00%</b>   | <b>1,818.57</b> | <b>100.00%</b>                      | <b>254.01</b> | <b>100.00%</b>                            | <b>13.90</b> | <b>100.00%</b>                            | <b>267.91</b> |

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for the year ended 31 March 2025

## 39 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ In Crores)

|   | 31 March 2025    |                 |                  | 31 March 2024    |                 |                 |
|---|------------------|-----------------|------------------|------------------|-----------------|-----------------|
|   | Within 12 months | After 12 months | Total            | Within 12 months | After 12 months | Total           |
| <b>ASSETS</b>                           |                  |                 |                  |                  |                 |                 |
| <b>Financial assets</b>                 |                  |                 |                  |                  |                 |                 |
| Cash and cash equivalents               | 448.65           | -               | 448.65           | 212.67           | -               | 212.67          |
| Bank balance other than above           | 448.06           | 244.70          | 692.76           | 641.75           | 24.08           | 665.83          |
| Trade Receivables                       | 4.67             | -               | 4.67             | 6.54             | -               | 6.54            |
| Loans                                   | 5,138.24         | 4,035.85        | 9,174.09         | 4,470.10         | 3,249.34        | 7,719.44        |
| Investments                             | 1,070.54         | 455.45          | 1,525.99         | 509.21           | 216.95          | 726.16          |
| Other financial assets                  | 139.51           | 26.60           | 166.11           | 55.32            | 23.54           | 78.86           |
| <b>Non-financial assets</b>             |                  |                 |                  |                  |                 |                 |
| Income tax assets (net)                 | -                | 1.45            | 1.45             | -                | 2.52            | 2.52            |
| Deferred tax Assets (net)               | -                | 7.40            | 7.40             | -                | 11.85           | 11.85           |
| Property, plant and equipment           | -                | 21.32           | 21.32            | -                | 21.23           | 21.23           |
| Capital work-in-progress                | -                | 91.48           | 91.48            | -                | 69.80           | 69.80           |
| Right-of-use asset                      | 1.14             | 2.42            | 3.56             | 0.85             | 2.34            | 3.19            |
| Intangible assets under development     | -                | 0.02            | 0.02             | -                | 0.24            | 0.24            |
| Other Intangible assets                 | -                | 2.54            | 2.54             | -                | 1.01            | 1.01            |
| Other non-financial assets              | 58.97            | -               | 58.97            | 27.96            | 0.04            | 28.00           |
| <b>Total assets</b>                     | <b>7,309.78</b>  | <b>4,889.23</b> | <b>12,199.01</b> | <b>5,924.40</b>  | <b>3,622.94</b> | <b>9,547.34</b> |
| <b>LIABILITIES</b>                      |                  |                 |                  |                  |                 |                 |
| <b>Financial liabilities</b>            |                  |                 |                  |                  |                 |                 |
| Trade payables                          | 40.25            | -               | 40.25            | 21.15            | -               | 21.15           |
| Other payables                          | 9.54             | -               | 9.54             | 1.89             | -               | 1.89            |
| Debt securities                         | 323.22           | 1,140.42        | 1,463.64         | 105.71           | 521.15          | 626.86          |
| Borrowings (other than debt securities) | 3,650.46         | 3,737.97        | 7,388.43         | 3,158.41         | 3,338.47        | 6,496.88        |
| Subordinated liabilities                | -                | 303.65          | 303.65           | -                | 302.11          | 302.11          |
| Other financial liabilities             | 312.67           | 2.99            | 315.66           | 253.26           | 5.10            | 258.36          |
| <b>Non-financial liabilities</b>        |                  |                 |                  |                  |                 |                 |
| Current tax liabilities (net)           | 11.38            | -               | 11.38            | 4.70             | -               | 4.70            |
| Provisions                              | 3.01             | 6.22            | 9.23             | 9.90             | 0.21            | 10.11           |
| Other non-financial liabilities         | 6.76             | -               | 6.76             | 6.71             | -               | 6.71            |
| <b>Total liability</b>                  | <b>4,357.29</b>  | <b>5,191.25</b> | <b>9,548.54</b>  | <b>3,561.73</b>  | <b>4,167.04</b> | <b>7,728.77</b> |
| <b>Net</b>                              | <b>2,952.49</b>  | <b>(302.02)</b> | <b>2,650.47</b>  | <b>2,362.67</b>  | <b>(544.10)</b> | <b>1,818.57</b> |

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### 40 EMPLOYEE BENEFIT PLAN

Disclosure in respect of employee benefits under Ind AS 19 - Employee Benefit are as under:

#### (a) Defined contribution plan

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans. The Group's contribution to provident fund aggregating ₹ 3.61 Crore (31 March 2024: ₹ 2.62 Crore) and employee state insurance scheme aggregating ₹ 0.12 Crore (31 March 2024: ₹ 0.13 Crore) has been recognised in the statement of profit and loss under the head employee benefits expense.

#### (b) Defined benefit plans:

##### Gratuity

The Group operates a defined benefit plan (the "gratuity plan") covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age / resignation date.

The defined benefit plans expose the Group to risks such as actuarial risk, investment risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

**Actuarial risk:** It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse salary growth experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**Investment risk:** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**Liquidity risk:** Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Group, there can be strain on the cash flows.

**Market risk:** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**Legislative risk:** Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

# Notes Forming Part of the Consolidated Financial Statements

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The status of gratuity plan as required under Ind AS-19 is as under:

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>i. Reconciliation of opening and closing balances of defined benefit obligation</b>                      |                        |                        |
| Present value of defined benefit obligations at the beginning of the year                                   | 5.76                   | 4.23                   |
| Current service cost  | 1.03                   | 0.83                   |
| Interest cost   | 0.37                   | 0.28                   |
| Benefit paid  | (0.16)                 | (0.17)                 |
| Re-measurement (or Actuarial) (gain) / loss arising from:   |                        |                        |
| Change in demographic assumptions   | (0.08)                 | (0.10)                 |
| Change in financial assumptions   | 0.16                   | 0.01                   |
| Experience adjustments  | 0.48                   | 0.68                   |
| <b>Present value of defined benefit obligations at the end of the year</b>                                  | <b>7.56</b>            | <b>5.76</b>            |
| <b>ii. Reconciliation of opening and closing balances of the fair value of plan assets</b>                  |                        |                        |
| Fair value of plan assets at the beginning of the year  | 7.35                   | 4.92                   |
| Interest income   | 0.52                   | 0.36                   |
| Return on plan assets excluding amounts included in interest income   | (0.20)                 | 0.08                   |
| Contributions by employer   | 1.19                   | 2.16                   |
| Benefits paid   | (0.16)                 | (0.17)                 |
| <b>Fair value of plan assets at the end of the year</b>   | <b>8.70</b>            | <b>7.35</b>            |
| <b>iii. Reconciliation of the present value of defined benefit obligation and fair value of plan assets</b> |                        |                        |
| Present value of defined benefit obligations at the end of the year   | 7.56                   | 5.76                   |
| Fair value of plan assets at the end of the year  | 8.70                   | 7.35                   |
| <b>Net asset / (liability) recognized in balance sheet as at the end of the year</b>                        | <b>1.14</b>            | <b>1.59</b>            |

## iv. Composition of plan assets

100% of plan assets are administered by LIC.

|   | (₹ In Crores)               |                             |
|---|-----------------------------|-----------------------------|
|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| <b>v. Expense recognised during the Year</b>  |                             |                             |
| Current service cost  | 1.03                        | 0.83                        |
| Interest cost   | (0.15)                      | (0.08)                      |
| Expenses recognised in the statement of profit and loss                             | 0.88                        | 0.75                        |
| <b>vi. Other comprehensive income</b>   |                             |                             |
| Components of actuarial gain/losses on obligations:                                 |                             |                             |
| Due to change in financial assumptions  | 0.16                        | 0.01                        |
| Due to change in demographic assumption   | (0.08)                      | (0.10)                      |
| Due to experience adjustments   | 0.48                        | 0.68                        |
| Return on plan assets excluding amounts included in interest income                 | 0.20                        | (0.08)                      |
| <b>Components of defined benefit costs recognised in other comprehensive income</b> | <b>0.76</b>                 | <b>0.51</b>                 |

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|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| <b>vii. Principal actuarial assumptions</b> |                        |                        |
| Discount rate (per annum)                   | 6.55%                  | 7.15%                  |
| Rate of return on plan assets (p.a.)        | 6.55%                  | 7.15%                  |
| Annual increase in salary cost              | 8.00%                  | 8.00%                  |
| Withdrawal rates per annum                  |                        |                        |
| 25 and below                                | 35.00%                 | 35.00%                 |
| 26 to 35                                    | 35.00%                 | 30.00%                 |
| 36 to 45                                    | 25.00%                 | 25.00%                 |
| 46 to 55                                    | 20.00%                 | 20.00%                 |
| 56 and above                                | 20.00%                 | 20.00%                 |

The discount rate is based on the prevailing market yields of Government of India's bond as at the balance sheet date for the estimated term of the obligations.

### viii. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rates. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting year, while holding all other assumptions constant. The results of sensitivity analysis is given below:

|                                   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------|-----------------------------|-----------------------------|
| Defined benefit obligation (base) | 7.55                        | 5.76                        |

|   | Year Ended 31 March 2025 |          | Year Ended 31 March 2024 |          |
|---|--------------------------|----------|--------------------------|----------|
|   | Decrease                 | Increase | Decrease                 | Increase |
| Discount rate (- / + 0.5%)                        | 7.69                     | 7.41     | 5.89                     | 5.67     |
| (% change compared to base due to sensitivity)    | 1.85%                    | (1.85%)  | 2.26%                    | (1.56%)  |
| Salary Growth Rate (- / + 0.5%)                   | 7.43                     | 7.67     | 5.68                     | 5.87     |
| (% change compared to base due to sensitivity)    | (1.59%)                  | 1.59%    | (1.39%)                  | 1.91%    |
| Withdrawal Rate (W.R.) (W.R. x 90% / W.R. x 110%) | 7.66                     | 7.44     | 5.85                     | 5.71     |
| (% change compared to base due to sensitivity)    | 1.46%                    | (1.46%)  | 1.56%                    | (0.87%)  |

### ix. Asset liability matching strategies

The Group contributes to the insurance fund based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

### x. Effect of plan on entity's future cash flows

#### a) Funding arrangements and funding policy

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

# Notes Forming Part of the Consolidated Financial Statements

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## b) Maturity profile of defined benefit obligation

The average outstanding term of the obligations (years) as at valuation date is 3.86 to 4.02 years.

|  | (₹ In Crores)                                       |                             |
|--|---|-----------------------------|
|  | Cash flows (₹) as at<br>year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| <b>Expected cash flows over the next (valued on undiscounted basis):</b> |   |                             |
| 1 <sup>st</sup> following year   | 1.66  | 1.27                        |
| 2 <sup>nd</sup> following year   | 1.33  | 1.04                        |
| 3 <sup>rd</sup> following year   | 1.13  | 0.87                        |
| 4 <sup>th</sup> following year   | 1.08  | 0.76                        |
| 5 <sup>th</sup> following year   | 0.92  | 0.74                        |
| Sum of years 6 to 10   | 2.61  | 2.11                        |

The future accrual is not considered in arriving at the above cash-flows.

The expected contribution for the next year is ₹ 1.24 Crore.

## (C) Other long term employee benefits

|                      | (₹ In Crores)                                  |  |
|----------------------|--|--|
|                      | As at<br>31 March 2025                         | As at<br>31 March 2024                         |
| Discount Rate        | 6.55%  | 7.15%  |
| Salary Growth Rate   | 8.00%  | 8.00%  |
| Mortality Rates base | Indian Assured<br>Lives mortality<br>(2012-14) | Indian Assured<br>Lives mortality<br>(2012-14) |

The Group has not funded its compensated absences liability and the same continues to remain as unfunded as at 31 March 2025.

The liability for compensated absences is ₹ 0.30 Crore (31 March 2024 : ₹ 0.29 Crore).

## Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the provident fund Act and the gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry of Labour and Employment. The Group will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

## 41 FINANCIAL INSTRUMENT AND FAIR VALUE MEASUREMENT

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.

This note describes the fair value measurement of both financial and non-financial instruments.

### A Measurement of fair values

#### 1 Financial instruments - fair value

The fair value of financial instruments as referred to in note (B) below have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for



# Notes Forming Part of the Consolidated Financial Statements

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identical assets or liabilities (Level 1 Measurements) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments

**Level 2:** The fair value of financial instruments that are not traded in active market is determined using valuation technique which maximizes the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value on instrument are observable, the instrument is included in level 2; and

**Level 3:** If one or more of significant input is not based on observable market data, the instrument is included in level 3.

## ii) Transfers between levels 1 and 2

There has been no transfer in between level 1 and level 2.

## iii) Valuation techniques

### Loans

The Group has computed fair value of the loans and advances through OCI considering its business model. These have been fair valued using the base of the interest rate of loan disbursed in the last month of the year which is an unobservable input and therefore these has been considered to be fair valued using level 3 inputs.

### Investments measured at FVTPL

Fair values of market linked debentures and mutual funds have been determined under level 1 using quoted market prices(unadjusted) of the underlying instruments. Fair value of investment in alternate investment funds have been determined under level 2 using observable input.

## B. Accounting classifications and fair values

The carrying amount and fair value of financial instruments including their levels in the fair value hierarchy presented below:

(₹ In Crores)

| As at 31 March 2025   | Carrying amount |          |       | Fair value |         |          |          |
|---|-----------------|----------|-------|------------|---------|----------|----------|
|   | Amortised cost  | FVOCI    | FVTPL | Level 1    | Level 2 | Level 3  | Total    |
| <b>Financial assets measured at fair value</b>                      |                 |          |       |            |         |          |          |
| Loans measured at FVOCI   | -               | 8,875.27 | -     | -          | -       | 8,875.27 | 8,875.27 |
| Investments measured at FVTPL                                       | -               | -        | 15.61 | 15.61      | -       | -        | 15.61    |
|   | -               | 8,875.27 | 15.61 |            |         |          |          |
| <b>Financial assets not measured at fair value<sup>1</sup></b>      |                 |          |       |            |         |          |          |
| Cash and cash equivalents   | 448.65          | -        | -     | 448.65     | -       | -        | 448.65   |
| Bank balance other than cash and cash equivalents                   | 692.76          | -        | -     | 692.76     | -       | -        | 692.76   |
| Trade receivables   | 4.67            | -        | -     | -          | -       | 4.67     | 4.67     |
| Loans measured at amortised cost                                    | 298.82          | -        | -     | -          | -       | 295.92   | 295.92   |
| Investment measured at amortised cost                               | 1,510.38        | -        | -     | -          | -       | 1,511.54 | 1,511.54 |
| Other financials asset  | 166.11          | -        | -     | -          | -       | 165.97   | 165.97   |
|   | 3,121.39        | -        | -     |            |         |          |          |
| <b>Financial liabilities measured at fair value</b>                 |                 |          |       |            |         |          |          |
| Derivative financial instruments                                    | -               | -        | 5.15  | 5.15       | -       | -        | 5.15     |
|   | -               | -        | 5.15  |            |         |          |          |
| <b>Financial liabilities not measured at fair value<sup>1</sup></b> |                 |          |       |            |         |          |          |
| Trade payables  | 40.25           | -        | -     | -          | -       | 40.25    | 40.25    |
| Other payables  | 9.54            | -        | -     | -          | -       | 9.54     | 9.54     |
| Debt securities   | 1,463.64        | -        | -     | -          | -       | 1,475.00 | 1,475.00 |
| Borrowings (other than debt securities)                             | 7,388.43        | -        | -     | -          | -       | 7,427.57 | 7,427.57 |
| Subordinated liabilities  | 303.65          | -        | -     | -          | -       | 310.00   | 310.00   |
| Other financial liabilities   | 310.51          | -        | -     | -          | -       | 310.51   | 310.51   |
|   | 9,516.02        | -        | -     |            |         |          |          |

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(₹ In Crores)

| As at 31 March 2024   | Carrying amount |                 |              | Fair value |         |               | Total         |
|---|-----------------|-----------------|--------------|------------|---------|---------------|---------------|
|   | Amortised cost  | FVOCI           | FVTPL        | Level 1    | Level 2 | Level 3       |               |
| <b>Financial assets measured at fair value</b>                      |                 |                 |              |            |         |               |               |
| Loans measured at FVOCI   | -               | 7,448.93        | -            | -          | -       | 7,448.93      | 7,448.93      |
| Investments measured at FVTPL                                       | -               | -               | 59.45        | 6.14       | 53.31   | -             | 59.45         |
| Derivative financial instruments                                    | -               | -               | 2.02         | 2.02       | -       | -             | 2.02          |
|   | -               | <b>7,448.93</b> | <b>61.47</b> |            |         |               |               |
| <b>Financial assets not measured at fair value<sup>1</sup></b>      |                 |                 |              |            |         |               |               |
| Cash and cash equivalents   | 212.67          | -               | -            | 212.67     | -       | -             | 212.67        |
| Bank balance other than cash and cash equivalents                   | 665.83          | -               | -            | 665.83     | -       | -             | 665.83        |
| Trade receivables   | 6.54            | -               | -            | -          | -       | 6.54          | 6.54          |
| Loans measured at amortised cost                                    | 270.51          | -               | -            | -          | -       | 273.57        | 273.57        |
| Investment measured at amortised cost                               | 666.71          | -               | -            | -          | -       | <b>666.89</b> | <b>666.89</b> |
| <b>Other financials asset</b>                                       | <b>76.84</b>    | -               | -            | -          | -       | <b>76.71</b>  | <b>76.71</b>  |
|   | <b>1,899.10</b> | -               | -            |            |         |               |               |
| <b>Financial liabilities not measured at fair value<sup>1</sup></b> |                 |                 |              |            |         |               |               |
| Trade payables  | 21.15           | -               | -            | -          | -       | 21.15         | 21.15         |
| Other payables  | 1.89            | -               | -            | -          | -       | 1.89          | 1.89          |
| Debt securities   | 626.86          | -               | -            | -          | -       | 643.84        | 643.84        |
| Borrowings (other than debt securities)                             | 6,496.88        | -               | -            | -          | -       | 6,524.47      | 6,524.47      |
| Subordinated liabilities  | 302.11          | -               | -            | -          | -       | 310.00        | 310.00        |
| Other financial liabilities   | 258.36          | -               | -            | -          | -       | 258.36        | 258.36        |
|   | <b>7,707.25</b> | -               | -            |            |         |               |               |

<sup>1</sup> The Group has not disclosed the fair values for cash and cash equivalents, bank balances, investment in debt securities, interest accrued but not due on loans and advances, bank deposits and investment, trade payables and other financial liabilities as these are short term in nature and their carrying amounts are a reasonable approximation of fair value.

## Reconciliation of level 3 fair value measurement is as follows:

|   | year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>i) Loans</b>   |                             |                             |
| Balance at the beginning of the year                    | 7,515.31                    | 6,079.90                    |
| Addition during the year                                | 6,894.51                    | 5,895.32                    |
| Amount derecognised / repaid during the year            | (5,410.90)                  | (4,430.86)                  |
| Amount written off                                      | (54.61)                     | (48.13)                     |
| Gains/(losses) recognised in other comprehensive income | 21.04                       | 19.08                       |
| <b>Balance at the end of the year</b>                   | <b>8,965.35</b>             | <b>7,515.31</b>             |

\* The above classification also includes balance of spread receivable on assigned portfolio. (Refer note 10)

## Sensitivity analysis to fair value

|                                  | Amount, net of tax |          |
|----------------------------------|--------------------|----------|
|                                  | Increase           | Decrease |
| <b>31 March 2025</b>             |                    |          |
| <b>Loans</b>                     |                    |          |
| Interest rates (50 bps movement) | (26.41)            | 28.59    |
| <b>31 March 2024</b>             |                    |          |
| <b>Loans</b>                     |                    |          |
| Interest rates (50 bps movement) | (22.97)            | 19.52    |

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## 42 CAPITAL

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, RBI and NHB. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI and NHB.

The Group has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are considered for the purpose of Group's capital management.

### 42.1 Capital management

The primary objectives of the Group's capital management policy are to ensure that the Group 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 Group 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 Group 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.

## 43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's financial assets include loan and advances, cash and cash equivalents that derive directly from its operations.

The Group is exposed to credit risk, liquidity risk and market risk. The Group's board of directors has an overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's risk management committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

### 43.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and loans.

The carrying amounts of financial assets represent the maximum credit risk exposure.

#### (a) Loans and advances

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before sanctioning any loan. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information, the loan-to-value ratio etc.

# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

The Group's exposure to credit risk for loans and advances by type of counterparty is as follows:

| (₹ In Crores)                     |                        |                        |
|-----------------------------------|------------------------|------------------------|
| Carrying Amount                   |                        |                        |
|                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Retail assets</b>              | <b>4,952.16</b>        | <b>4,443.14</b>        |
| Two wheeler loans                 | 299.00                 | 348.02                 |
| Micro enterprise loans            | 1,635.22               | 1,396.38               |
| Salaried personal loans           | 501.43                 | 313.13                 |
| Small and medium enterprise loans | 1,628.79               | 1,606.62               |
| Commercial vehicle loans          | 356.34                 | 375.78                 |
| Housing & non-housing loans       | 531.38                 | 403.21                 |
| <b>RAC loans</b>                  | <b>4,318.65</b>        | <b>3,348.00</b>        |
| <b>Total</b>                      | <b>9,270.81</b>        | <b>7,791.14</b>        |

## Narrative Description of Collateral

Collateral primarily include vehicles purchased by retail loan customers and machinery & property in case of SME customers. The secured exposure are secured wholly or partly by hypothecation of assets and undertaking to create a security.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the ECL model as per the provisions of Ind AS 109 - financial instruments.

### (i) Staging:

As per the provision of Ind AS 109, all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase in credit risk is identified at the reporting date compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

For financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL calculation considers default event for the lifespan of the instrument.

As per Ind AS 109, the Group assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. The Group has staged the assets based on the days past due criteria and other market factors which significantly impacts the portfolio.

Group's internal credit rating grades and staging criteria for loans are as follows:

| Days past due status | Stage   | Internal grade                                   | Provisions          |
|----------------------|---------|--|---------------------|
| Current              | Stage 1 | High Quality assets, negligible credit risk      | 12 Months Provision |
| 1-30 Days            | Stage 1 | High Quality assets, negligible credit risk      | 12 Months Provision |
| 31-60 Days           | Stage 2 | Quality assets, low credit risk                  | Lifetime Provision  |
| 61-90 Days           | Stage 2 | Standard assets, moderate credit risk            | Lifetime Provision  |
| 91-180 Days          | Stage 3 | Sub-standard assets, relatively high credit risk | Lifetime Provision  |
| >180 Days            | Stage 3 | Low quality assets, very high credit risk        | Lifetime Provision  |

## Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

### (ii) Grouping:

As per Ind AS 109, the Group is required to group the portfolio based on the shared risk characteristics. The Group has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- a. Two wheeler loans
- b. Micro enterprise loans
- c. Salaried personal loans
- d. Small and medium enterprise loans
- e. Commercial vehicle loans
- f. Retail asset channel loans
- g. Housing & non-housing loans

### (iii) ECL:

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

- a. Probability of default ("PD")
- b. Loss given default ("LGD")
- c. Exposure at default ("EAD")
- d. Discount factor ("D")

For RAC loan portfolio, the Group has developed internal rating based approach for the purpose of ECL. The credit rating framework of the Group consists of various parameters based on which RAC loan portfolio is evaluated and credit rating is assigned accordingly. The credit rating matrix developed by the Group is validated in accordance with its ECL policy.

The Group has developed its PD matrix based on the external benchmarking of various external reports, ratings & Basel norms. This PD matrix is calibrated with its historical data and major events on regular time interval in accordance with its ECL policy

#### Probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from internal data calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Vasicek Single Factor Model was used to forecast the PD term structure over lifetime of loans. As per Vasicek model, given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated. Group has worked out on PD based on the last five years historical data.

The PDs derived from the vasicek model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios. The probability of default was calculated for 3 scenarios: upside (11%), downside (21%) and base (68%). This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability."

#### Loss given default:

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods.

Various approaches are available to compute the LGD. Group has considered workout LGD approach. The following steps are performed to calculate the LGD:

# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

- 1) Analysis of historical credit impaired accounts at cohort level.
- 2) The computation consists of five components, which are:
  - a) Outstanding balance (POS)
  - b) Recovery amount (discounted yearly) by effective interest rate.
  - c) Expected recovery amount (for incomplete recoveries), discounted to reporting date using effective interest rate.
  - d) Collateral (security) amount

The formula for the computation is as below:

$$\% \text{ Recovery rate} = (\text{discounted recovery amount} + \text{security amount} + \text{discounted estimated recovery}) / (\text{total POS})$$

$$\% \text{ LGD} = 1 - \text{recovery rate}$$

For RAC loan portfolio, the LGD has been considered based on Basel-II Framework for all the level of credit rating portfolio.

## Exposure at default:

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments and assignments of loans.

The Group has considered expected cash flows for all the loans at DPD bucket level for each of the segments, which was used for computation of ECL. The exposure at default is calculated for each product and for various DPD status after considering future expected assignment which is not at risk. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. Further, the stage 3 EAD for the purpose of the ECL computation is considering when loan became Stage 3 for the first time (for retail loans).

## Discounting:

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

## ECL computation:

Conditional ECL at DPD pool level was computed with the following method:

Conditional ECL for year (yt) = EAD (yt) \* conditional PD (yt) \* LGD (yt) \* discount factor (yt)

Conditional RAC ECL for year (yt) = EAD (yt) \* conditional PD (yt) \* LGD (yt)

For RAC loan portfolio, the Group has calculated ECL based on borrower wise assessment of internal credit rating as per the framework of the Group, while for retail loan portfolio, the same has been calculated on collective basis.

The calculation is based on provision matrix which considers actual historical data adjusted for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

|   | (₹ In Crores)          |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Stage 1                                     | 0.41%                  | 0.40%                  |
| Stage 2                                     | 20.56%                 | 21.22%                 |
| Stage 3                                     | 41.20%                 | 38.72%                 |
| Amount of expected credit loss provided for | 176.91                 | 135.30                 |

The loss rates are based on actual credit loss experience over past 5 years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Group's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.



# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

## (iv) Management overlay

The Group holds a management and macro-economic overlay of ₹ 20.90 crores as at 31 March 2025 (31 March 2024: ₹ 21.79 crores)

## (v) Modification of financial assets

The Group has modified the terms of certain loans provided to customers in accordance with RBI notification on MSME restructuring dated 6 August 2020 and 5 May 2021. Such restructuring benefits are provided to distressed customers who are impacted by COVID-19 pandemic.

Such restructuring benefits include extended payment term arrangements, moratorium and changes in interest rates. The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset (refer note 3.5). The Group monitors the subsequent performance of modified assets. The gross carrying amount of such assets held as at 31 March 2025 is ₹ 1.32 crores (31 March 2024 ₹ 1.41 crores). Overall provision for expected credit loss against restructured loan exposure amounts to ₹ 1.49 crores as at 31 March 2025 (31 March 2024 ₹ 0.26 crores). The Group continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets.

## (b) Cash and cash equivalent and bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Group generally invests in term deposits with banks which are subject to an insignificant risk of change in value.

## 43.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The Group is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Group manages its liquidity by unutilised cash credit facility, term loans and direct assignment.

The composition of the Group's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix.

The total cash credit limit available to the Group is ₹ 1,345.09 Crore spread across 13 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

Over the years, the Holding Company has maintained around 20% to 25% of assets under management as off book through direct assignment transactions. It is with door to door maturity and without recourse to the Holding Company. This further strengthens the liability management.

The table below summarises the maturity profile of the undiscounted cashflow of the Group's financial liabilities:

|  | (₹ In Crores)                         |                                  |                                    |                                 |                               |                              |                              |                 |          |
|--|---------------------------------------|----------------------------------|------------------------------------|---------------------------------|-------------------------------|------------------------------|------------------------------|-----------------|----------|
|  | 1 day to<br>30/31 days<br>(one month) | Over one<br>month to<br>2 months | Over<br>2 months up<br>to 3 months | Over<br>3 months to<br>6 months | Over<br>6 months<br>to 1 year | Over<br>1 year to<br>3 years | Over<br>3 year to<br>5 years | Over<br>5 years | Total    |
| <b>As at 31 March 2025</b>                 |                                       |                                  |                                    |                                 |                               |                              |                              |                 |          |
| Debt securities                            | 9.73                                  | 9.41                             | 12.18                              | 304.66                          | 345.90                        | 942.97                       | 40.26                        | -               | 1,665.11 |
| Borrowings<br>(Other than debt securities) | 158.38                                | 140.79                           | 427.53                             | 726.86                          | 2,626.63                      | 3,330.82                     | 699.88                       | 63.88           | 8,174.77 |
| Subordinated liabilities                   | 2.79                                  | 2.78                             | 2.79                               | 8.40                            | 16.57                         | 160.86                       | 225.82                       | 420.01          | 840.02   |
| Payables                                   | 44.98                                 | 3.56                             | -                                  | -                               | 1.25                          | -                            | -                            | -               | 49.79    |
| Lease Liability                            | 0.10                                  | 0.11                             | 0.11                               | 0.33                            | 0.67                          | 2.31                         | 0.74                         | 0.10            | 4.47     |
| Other financial liabilities                | 277.10                                | 0.69                             | 0.31                               | 0.30                            | 33.22                         | 0.13                         | -                            | -               | 311.75   |

# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

|  | 1 day to<br>30/31 days<br>(one month) | Over one<br>month to<br>2 months | Over<br>2 months up<br>to 3 months | Over<br>3 months to<br>6 months | Over<br>6 months<br>to 1 year | Over<br>1 year to<br>3 years | Over<br>3 year to<br>5 years | Over<br>5 years | (₹ In Crores)<br>Total |
|--|---------------------------------------|----------------------------------|------------------------------------|---------------------------------|-------------------------------|------------------------------|------------------------------|-----------------|------------------------|
| <b>As at 31 March 2024</b>                 |                                       |                                  |                                    |                                 |                               |                              |                              |                 |                        |
| Debt securities                            | 2.47                                  | 2.40                             | 11.16                              | 34.63                           | 173.58                        | 470.96                       | 53.75                        | -               | 748.95                 |
| Borrowings<br>(Other than debt securities) | 122.07                                | 126.22                           | 360.95                             | 650.74                          | 2,272.60                      | 3,054.70                     | 611.63                       | 25.49           | 7,224.40               |
| Subordinated liabilities                   | 2.78                                  | 2.78                             | 2.78                               | 8.39                            | 16.56                         | 66.65                        | 301.90                       | 51.46           | 453.30                 |
| Payables                                   | 21.88                                 | -                                | -                                  | 1.13                            | -                             | -                            | -                            | -               | 23.01                  |
| Lease Liability                            | 0.08                                  | 0.08                             | 0.08                               | 0.24                            | 0.49                          | 1.83                         | 1.10                         | 0.08            | 3.98                   |
| Other financial liabilities                | 207.99                                | 0.02                             | 0.15                               | 0.36                            | 44.01                         | 2.43                         | 0.02                         | -               | 254.98                 |

## 43.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's investment in bank deposits and variable interest rate borrowings and lending.

The sensitivity analysis have been carried out based on the exposure to interest rates for lending and borrowings carried at variable rate and investments made by the Group.

|  | Year ended 31 March 2025 |                | Year ended 31 March 2024 |                |
|--|--------------------------|----------------|--------------------------|----------------|
| Change in interest rates                 | 50 bp increase           | 50 bp decrease | 50 bp increase           | 50 bp decrease |
| Investments                              | -                        | -              | 50.95                    | 50.95          |
| Impact on profit before tax for the year | -                        | -              | 0.25                     | (0.25)         |
| Variable rate lending                    | 4,850.04                 | 4,850.04       | 3,751.21                 | 3,751.21       |
| Impact on profit before tax for the year | 23.62                    | (23.62)        | 18.11                    | (18.11)        |
| Variable rate borrowings                 | 7,503.50                 | 7,503.50       | 6,013.08                 | 6,013.08       |
| Impact on profit before tax for the year | (37.20)                  | 37.20          | (29.72)                  | 29.72          |

### B. Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arises majorly on account of foreign currency borrowings. The Group's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Group has hedged its foreign currency risk on its foreign currency borrowings as on March 31, 2024 by entering into forward contracts with the intention of covering the entire term of foreign currency exposure. The counterparties for such hedge transactions are banks.

The Group's exposure on account of Foreign Currency Borrowings at the end of the reporting period expressed in Indian Rupees are as follows:

|   | Foreign<br>currency | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|---------------------|------------------------|------------------------|
| Term loan from Bank in Foreign Currency | USD                 | 804.60                 | 602.18                 |

## Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all other variables are held constant. On the date of maturity of the derivative instrument, considering the hedging for the entire term of the foreign currency exposure, the sensitivity of profit and loss to changes in the exchange rates will be Nil.

### 44 LEASE DISCLOSURE

#### Where the Group is the lessee

The Group has entered into agreements for taking its office premises under leave and license arrangements. These agreements are for tenures between 11 months and 10 years and majority of the agreements are renewable by mutual consent on mutually agreeable terms, lease rentals have an escalation ranging between 5% to 15%. Leases for which the lease term is less than 12 months have been accounted as short term leases.

| (₹ In Crores)   |                        |                        |
|---|------------------------|------------------------|
| Contractual cash maturities of lease liabilities on an undiscounted basis | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Not later than one year   | 1.32                   | 0.97                   |
| Later than one year and not later than five years                         | 3.05                   | 2.93                   |
| Later than five years   | 0.10                   | 0.08                   |
| Total undiscounted lease liabilities                                      | 4.47                   | 3.98                   |
| Lease liabilities included in the balance sheet                           |                        |                        |
| Total lease liabilities   | 3.91                   | 3.38                   |

| (₹ In Crores)   |                             |                             |
|---|-----------------------------|-----------------------------|
| Amount recognised in the statement of profit and loss account | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Interest on lease liabilities                                 | 0.33                        | 0.22                        |
| Depreciation charge for the year                              | 1.02                        | 0.67                        |
| Expenses relating to short term leases                        | 5.58                        | 4.70                        |

| (₹ In Crores)                                   |                             |                             |
|---|-----------------------------|-----------------------------|
| Amount recognised in the statement of cash flow | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Cash outflow towards lease liability            | (0.84)                      | (0.54)                      |

For addition and carrying amount of right to use asset for 31 March 2025 and 31 March 2024, refer note 11(c).

Title deeds of all immovable properties of the Holding Company are held in name of the Holding Company. Further all the lease agreements are duly executed in favour of the Group for properties where the Group is the lessee.

### 45 TRANSFER OF FINANCIAL ASSETS

#### 45.1 Transferred financial assets that are not derecognised in their entirety

The following table provides 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:

| (₹ In Crores)   |                        |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Securitisation</b>   |                        |                        |
| Carrying amount of transferred assets   | -                      | -                      |
| Carrying amount of associated liabilities (Borrowings - other than debt securities) | -                      | -                      |
| Fair value of assets (A)  | -                      | -                      |
| Fair value of associated liabilities (B)  | -                      | -                      |
| Net position at Fair Value (A-B)  | -                      | -                      |

# Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

## 45.2 Transferred financial assets that are derecognised in their entirety

The Group has assigned loans by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of exposure net of MRR to the buyer, the assets have been de-recognised from the Group's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets :

|  | (₹ In Crores)          |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Direct assignment</b>                         |                        |                        |
| Carrying amount of de-recognised financial asset | 2,434.32               | 2,063.89               |
| Carrying amount of retained financial asset      | 262.99                 | 224.17                 |

## 45.3 Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

## 46 OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III

**46.1** No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2025 and 31 March 2024.

**46.2** The Group is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2025 and 31 March 2024.

**46.3** The Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2025 and 31 March 2024.

**46.4** All the charges or satisfaction, as applicable are registered with ROC within the statutory period.

**46.5** The Group has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 31 March 2025 and 31 March 2024 are held by the Group in the form of deposits or in current accounts till the time the utilisation is made subsequently.

**46.6** There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2025 and 31 March 2024, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2025 and 31 March 2024.

**46.7** As a part of normal lending business, the Group grants loans and advances on the basis of security / guarantee provided by the Borrower/ co-borrower. These transactions are conducted after exercising proper due diligence.

Other than the transactions described above,

- No funds have been advanced or loaned or invested by the Group to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the group (Ultimate Beneficiaries)
- No funds have been received by the Group from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**46.8** The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2025 and 31 March 2024.

## Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2025

- 46.9** The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2025 and 31 March 2024.
- 46.10** The Holding Company and a Subsidiary have used accounting software for maintaining its books of account for the financial year ended 31 March 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software to log any direct data changes. Further, there has been no instance of the audit trail feature being tempered with in respect of such accounting software where such feature is enabled.
- 46.11** The Group has not entered into any scheme of arrangement.

### 47 EVENTS AFTER THE REPORTING PERIOD

Ind AS 10 'Events after the Reporting Period', requires an entity to evaluate information available after the balance sheet date to determine if such information constitutes an adjusting event, which would require an adjustment to the financial statements, or a non-adjusting event, which would only require disclosure. There have been no events after the reporting date that require disclosure in these financial statements.

- 48** Figures of previous year has been regrouped / reclassified, wherever necessary, to correspond with the figures of the current year.

In terms of our report of even date attached

**For Sorab S. Engineer & Co.**

Chartered Accountants

Firm's Registration No: 110417W

**CA. Chokshi Shreyas B.**

Partner

Membership No: 100892

Ahmedabad  
30 April 2025

**Darshana S. Pandya**

(Director & Chief Executive Officer)

(DIN - 07610402)

**Riddhi B. Bhayani**

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad  
30 April 2025

**For and on behalf of the Board of Directors of  
MAS Financial Services Limited**

**Kamlesh C. Gandhi**

(Chairman & Managing Director)

(DIN - 00044852)

**Ankit Jain**

(Chief Financial Officer)



**Plan - Act - Achieve**



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