Date: August 24, 2026

The Manager,
Dept. of Corporate Services
BSE Limited
P.J. Tower, Dalal Street,
Fort, Mumbai – 400 001

Dear Sir,

Sub: Submission of Annual Report for the year 2025-2026

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report for the Financial Year 2025-26 along with the Notice of Annual General Meeting.

The said Annual Report with Notice of Annual General Meeting has also been uploaded on the website of the Company at www.vbdesai.com under subheading of shareholders information.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For V.B. DESAI FINANCIAL SERVICES LIMITED

V.B. DESAI FINANCIAL SERVICES LTD. MUMBAI

Kamlesh M Gagavani
Company Secretary

Encl: as above

V. B. DESAI
FINANCIAL SERVICES LIMITED

40TH ANNUAL REPORT
2025-2026

V. B. DESAI FINANCAL SERVICES LIMITED

CIN L74120MH1985PLC037218

BOARD OF DIRECTORS

Mr. Nilesh R. Doshi - Chairman (DIN 00249715) up to 29-07-2026
Mr. Pradip R. Shroff - Managing Director (DIN00286291)
Mr. Manoj T. Shroff (DIN 00330560)
Mr. Hemendra J. Shroff (DIN 00286509)
Mrs. Rachana S. Vijayakar (DIN 03317373)
Mr. Jitendra R Shroff (DIN 00286329)
Mr. Sanjay N. Kapadia (DIN 00166573)
Mr. Sagar Yadav (DIN 10719088)
Mr. Suraj R. Vishwakarma (DIN 07661216) from 17-08-2026

Chief Financial Officer
Mr. Shashank S. Vijayakar (upto 09.08.2026)
Mr. Hemendra J. Shroff (from 17.08.2026)

Company Secretary & Compliance Officer
Mr. Kamlesh M. Gagavani

REGISTERED OFFICE
Cama Building, 1st Floor, 24/26, Dalal Street, Fort, Mumbai – 400 001

AUDITORS
M/s. N.S. SHETTY & CO.
Chartered Accountants, Mumbai

BANKERS
HDFC Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT
Purva Sharegistry (India) Pvt. Ltd.
9, Shiv Shakti Industrial Estate J.R. Boricha Marg,
Lower Parel (East), Mumbai – 400011.
Tel: 022-41343266 / 4970 0138.

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IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken the "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / document including annual report can be sent by e-mail to its members. To support this green initiative of the Government in full measures, members who have so far not registered their e-mail addresses are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send the e-mail address to the Registrar & Transfer Agents quoting their folio number.

V. B. Desai Financial Services Limited

NOTICE

NOTICE IS HEREBY GIVEN THAT the Fortieth Annual General Meeting of the Members of V. B Desai Financial Services Limited will be held on Thursday, the 17th September, 2026 at 11.30 a.m. to transact the following business.

ORDINARY BUSINESS

1. To receive and adopt the Profit and Loss Account for the year ended on 31st March, 2026 and the Balance Sheet as on that date and the reports of Auditors and Directors thereof.
2. To appoint a Director in place of Mr. Manoj T. Shroff (DIN 00330560), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.

SPECIAL BUSINESS:

3. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:**

   "RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and relevant provisions of the Articles of Association of the Company, as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded the non-independent Director Mr. Hemendra Jitendra Shroff (DIN: 00286509) retiring by rotation at this Annual General Meeting, for appointment as the Executive Director cum Chief Financial Officer of the Company (whose directorship is liable to retirement by rotation) for the period of (5) five years from August 17, 2026 to August 16, 2031 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, on the terms and conditions including remuneration as set out in the statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Hemendra Jitendra Shroff and the Company, subject to the same not exceeding the limits specified under the Companies Act, 2013.

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director cum Chief Financial Officer, the payment of remuneration shall be governed by the limits prescribed under Section 197 of the Companies Act 2013 read with Part II of Schedule V to the Act as specifically approved by the Members of the Company.

   RESOLVED FURTHER THAT the Board of Directors / Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid resolution.

4. **To appoint Mr. Suraj R. Vishwakarma as Non-executive Independent Director**

   To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies

(Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Suraj Ravishchandra Vishwakarma (DIN 07661216), a non-executive Independent Director of the Company, who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company whose term shall not be subject to retirement by rotation, to hold office for 5 (Five) consecutive years for a term up to the conclusion of Annual General Meeting of the Company in the calendar year 2031."

RESOLVED FURTHER THAT the Board of Directors / Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid resolution.

5. **To consider and if thought fit, to pass with or without modification(s), the following resolutions as Special Resolutions:**

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of SEBI Listing Regulations, omnibus consent of the Board of Directors of the Company be and is hereby accorded for entering into the following proposed Related Party Transactions with effect from1st April 2026 to 31st March 2027 and also from the Annual General Meeting of the financial year 2025-26 and up to the Annual General Meeting for the financial year 2026-27, for a period not exceeding fifteen months between the two Annual General Meetings, in terms of Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, up to the maximum amounts in the ordinary course of business on arm's length basis up to the amounts as appended in table below:

S. No.	Name of Related Party	Relationship defined under Section of the Companies Act, 2013	Maximum value of Transaction per annum
1	Aarayaa Advisory Services Private Limited	Section 2 (76) (iv)	Professional fees for rendering services not to exceed Rupees Three crore.
2	Desai Investments Private Limited	Section 2 (76) (iv)	Inter corporate loan and Investments and in equity shares not to exceed Rupees Two crore.
3	VBD Capital Advisors Private Limited	Section 2 (76) (iv)	Professional fees for rendering services not to exceed Twenty Five lakhs.

RESOLVED FURTHER THAT the Audit Committee and/or Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

By the order of the Board of Directors

Kamlesh M. Gagavani
Company Secretary

REGISTERED OFFICE
Cama Building, 1st Floor,
24/26, Dalal Street, Fort,
Mumbai – 400 001
DATED: August 17, 2026.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013, sets out all material facts relating to Special Business mentioned in the Notice for convening the Annual General Meeting of the members of the Company:

ITEM NO. 3

The Nomination and Remuneration Committee of the Board pursuant to the provisions of Section 178 of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V to the Companies Act, 2013 and the applicable Regulation(s) of the Listing Regulations, the non-independent Director Mr. Hemendra Jitendra Shroff (DIN: 00286509) retiring by rotation at this Annual General Meeting, for appointment as the Executive Director cum Chief Financial Officer of the Company, for a period of five consecutive years with effect from 17th August 2026 , subject to approval of the Members of the Company at the forthcoming Annual General Meeting. Under the provisions of Section 196 (3) (a) of the Companies Act, 2013, the Company seeks consent of the members by way of special resolution for appointment of Mr. Hemendra J. Shroff as Executive Director cum Chief Financial Officer.

Except Hemendra J. Shroff, Mr. Jitendra R. Shroff, Mr. Pradip R. Shroff and Mr. Manoj T. Shroff, Directors of the Company, none of other Directors and Key Managerial Persons are interested, in resolution No. 3. The Board therefore recommends the special resolutions for your approval. The term, remuneration and perquisites are given below:

1) Term of appointment: - Five years with effect from 17th August 2026.

2) Salary: 40,000/- (Rupees Fourty thousand only) per month payable monthly. The annual increment will be decided by the Board of Directors of the Company.

3) **Perquisites:**
   a. Contributions to Provident Fund, Superannuation Fund or Annuity Fund to the extent singly or taken together are not taxable under the Income Tax Act, 1961.
   b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
   c. Encashment of Leave at the end of the tenure.

4) **General:**
   a. The perquisites shall be valued in terms of the actual expenditure. However, where such actual expenditure cannot be ascertained, such perquisites shall be valued as per the Income Tax Rules.
   b. Executive Director shall not be entitled to any sitting fees for attending the meetings of the Board or of the Committee(s) of which he is a Member.
   c. Executive Director shall be subject to all other service conditions and employee benefit schemes, as applicable to any other employee of the Company.

Item No. 4

Mr. Suraj Ravishchandra Vishwakarma (DIN 07661216), was appointed as an Independent Director by the Board of Directors at their meeting held on 17th August 2026, who hold the office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Suraj Ravishchandra Vishwakarma, for the office of Director of the Company.

Mr. Suraj Vishwakarma is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

None of the Directors except Mr. Suraj Vishwakarma is concerned or interested in the resolution. The Board of Directors recommends the resolution for approval of the members.

ITEM NO. 5

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), has also prescribed seeking of shareholders' approval for material related party transactions. The proviso to section 188 also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis.

All the proposed transactions put up for approval are in ordinary course of business and at arm's length. Pursuant to the provisions of Listing Regulations, the following transactions are material in nature and require the approval of the unrelated shareholders of the Company by a special resolution. The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

The details of transactions as required under Regulation 23(4) of the Listing Regulations read with Section III-B of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 ("SEBI Master Circular") and Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions ("RPT Industry Standards") in terms of SEBI circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025, are set forth below:

I. TRANSACTION DETAILS WITH AARAYAA ADVISORY SERVICES PRIVATE LIMITED

S. No.	Particulars	Details
a	Type, of the proposed transaction	Professional fees for rendering services
b	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Name of the Related Party** Aarayaa Advisory Services Private Limited **Relationship** Associate Company promoted by the Managing Director's son Mr. Raj P Shroff, a member of promoters group individually holds 0.91% shares in the Company as on date of the notice.
c	Tenure, material terms and particulars of proposed transaction	**Tenure:** from April 1, 2026 to March 31, 2027 and from the Annual General Meeting of the financial year 2025-26 to the Annual General Meeting of the financial year 2026-27, for a period not exceeding fifteen months between two Annual General Meetings. The related party transactions are at arm's length on repetitive basis and in the ordinary course of business, which inter alia include the rates based on prevailing extant market conditions and commercial terms as on the date of entering into the transactions.
d	Value of the transaction	Maximum up to Rs. 3.00 Crore
e	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Approximately 76.25% of the annual turnover of the FY 2025-26.

f	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
g	Justification as to why the RPT is in the interest of the listed entity	All the proposed transactions between V.B. Desai Financial Services Limited and Aarayaa Advisory Services Private Limited shall be carried out as part of ordinary course of business and at arm's length basis, ensuring fairness and transparency. The proposed transactions are subject to appropriate internal controls, approval processes, including review and oversight by the Audit Committee, ensuring compliance with regulatory requirements and safeguarding the interests of the entities.
h	The indicative base price / current contracted price and the formula for variation in the price if any;	Not Applicable.
i	Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
j	Name of Director(s) or Key Managerial Personnel who is related, if any and nature of relationship	Mr. Pradip R. Shroff, Managing Director is the Father of Mr. Raj P Shroff. Mr. Jitendra R. Shroff, Mr. Hemendra J. Shroff and Mr. Manoj T. Shroff, the Directors are related to Mr. Raj P. Shroff.
k	Any other information that may be relevant	All information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

II. DESAI INVESTMENTS PRIVATE LIMITED

S. No.	Particulars	Details
a	Type, of the proposed transaction	Inter corporate loan given
b	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Name of the Related Party** Desai Investments Private Limited **Relationship** Associate and promoter group company holds 17.04% shares in the Company as on date of the notice.
c	Tenure, material terms and particulars of proposed transaction	**Tenure:** from April 1, 2026 to March 31, 2027 and from the Annual General Meeting of the financial year 2025-26 to the Annual General Meeting of the financial year 2026-27, for a period not exceeding fifteen months between two Annual General Meetings. The related party transactions are at arm's length on repetitive basis and in the ordinary course of business, which inter alia include the rates based on prevailing extant market conditions and commercial terms as on the date of entering into the transactions.
d	Value of the transaction	Maximum up to Rs. 2.00 Crore
e	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Approximately 50.82% of the annual turnover of the FY 2025-26.
f	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Inter corporate loan given on a interest above the Bank rate.

g	Justification as to why the RPT is in the interest of the listed entity	All the proposed transactions between V.B. Desai Financial Services Limited and Desai Investments Private Limited shall be carried out as part of ordinary course of business and at arm's length basis, ensuring fairness and transparency. The proposed transactions are subject to appropriate internal controls, approval processes, including review and oversight by the Audit Committee, ensuring compliance with regulatory requirements and safeguarding the interests of the entities.
h	The indicative base price / current contracted price and the formula for variation in the price if any;	Not Applicable.
i	Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
j	Name of Director(s) or Key Managerial Personnel who is related, if any and nature of relationship	Mr. Pradip R. Shroff, Managing Director Mr. Jitendra R. Shroff, Mr. Hemendra J. Shroff and Mr. Manoj T. Shroff, the Directors are interested in the transaction.
k	Any other information that may be relevant	All information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

III. TRANSACTION DETAILS WITH VBD CAPITAL ADVISORS PRIVATE LIMITED

S. No.	Particulars	Details
a	Type, of the proposed transaction	Professional fees for rendering services
b	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Name of the Related Party** VBD Capital Advisors Private Limited **Relationship** Associate Company promoted by Mr. Hemendra J. Shroff, Executive Director and Chief Financial Officer, a member of promoter group, individually holds 0.10% shares in the Company as on date of the notice.
c	Tenure, material terms and particulars of proposed transaction	**Tenure:** from April 1, 2026 to March 31, 2027 and from the Annual General Meeting of the financial year 2026-27 to the Annual General Meeting of the financial year 2026-27, for a period not exceeding fifteen months between two Annual General Meetings The related party transactions are at arm's length on repetitive basis and in the ordinary course of business, which inter alia include the rates based on prevailing extant market conditions and commercial terms as on the date of entering into the transactions.
d	Value of the transaction	Maximum up to Rs. 25 lakhs
e	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Approximately 6.35% of the annual turnover of the FY 2025-26.
f	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
g	Justification as to why the RPT is in the interest of the listed entity	All the proposed transactions between V.B. Desai Financial Services Limited and VBD Capital Advisors Private Limited shall be carried out as part of ordinary course of business and at arm's length basis, ensuring fairness and transparency. The proposed transactions are subject to appropriate internal controls, approval processes, including review and oversight by the Audit Committee, ensuring compliance with regulatory requirements and safeguarding the interests of the entities.

h	The indicative base price / current contracted price and the formula for variation in the price if any;	Not Applicable.
i	Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
j	Name of Director(s) or Key Managerial Personnel who is related, if any and nature of relationship	Mr. Hemendra J. Shroff is the son of Mr. Jitendra R. Shroff, and related to Mr. Pradip R. Shroff, the Managing Director and Mr. Manoj T. Shroff, the Directors of the Company.
k	Any other information that may be relevant	All information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

The Audit Committee at its meeting held on 25th May 2026 has given omnibus approval for the above transactions and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval.

The entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution wherein approval of material Related Party Transactions is sought from the shareholders. Accordingly, all related parties of the Company, including the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

None of the Directors or any of the Key Managerial Personnel of the Company or their relatives other than Mr. Pradip R. Shroff, Mr. Jitendra R. Shroff, Mr. Hemendra J. Shroff and Mr. Manoj T. Shroff are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice. The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the unrelated shareholders.

For and on behalf of the Board of Directors
Sd/-
Kamlesh M. Gagavani
Company Secretary

REGISTERED OFFICE
Cama Building, 1st Floor,
24/26, Dalal Street, Fort,
Mumbai – 400 001

DATED: August 17, 2026

IMPORTANT NOTES

1. Pursuant to the General Circular No. 3/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (MCA) and the Circulars issued from time to time by SEBI (hereinafter collectively referred to as "the Circulars"), and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Since this AGM is being conducted through VC/ OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available at the AGM and hence the proxy form and attendance slip are not annexed to this notice.

3. 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 for 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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) the Secret arial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.vbdesai.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.
8. Dispute/Query Resolution:

   SEBI vide Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated Dec 28, 2023, for Online Resolution of Disputes in the Indian Securities Market has established a Common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned Circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investor can initiate dispute resolution through the ODR Portal, https://smartodr.in/login.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Monday, the 14th September 2026 at 9:00 A.M. and ends on Wednesday, the 16th September 2026 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 10, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 10, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:

If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

a) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

b) How to retrieve your 'initial password'?

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

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.
How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to hariharan41@yahoo.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 info@vbdesai.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@vbdesai.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC link” placed under “Join General meeting” menu against company name. You are requested to click on VC link placed under Join General Meeting menu. The link for VC will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@vbdesai.com. The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

<u>SCRUTINIZER AND DECLARATION OF REPORT</u>

1. Amosh Archapelly and Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

2. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.vbdesai.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

3. All documents referred to in the accompanying Notice and Explanatory Statements, shall be made available for inspection through electronic mode, basis the request being sent on info@vbdesai.com.

4. The Register of members and Share Transfer Books of the Company will be closed from September 11, 2026 to September 16, 2026 (both days inclusive).

ANNEXURE –A

Brief Profile / Disclosure Relating to Directors Re-appointed pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings:

1) Mr. Manoj T. Shroff

DIN & Date of Birth	00330560 - 10/10/1966
Qualification	B. Com
Experience in specific area	Has more than 34 years' experience in Financial consultancy, Investment Banking, and other related business.
Directorship in other Companies	Northstar Software Solutions Private Limited Merican Funds Limited Guru Holding Private Limited
Committee positions held in other Companies	Nil
No. of shares held in the Company	800

2) Mr. Hemendra J. Shroff

DIN & Date of Birth	00286509 – 07/11/1974	
Qualification	B. Com	
Experience in specific area	Mr. Hemendra Shroff has more than 27 years' experience in Investment Banking and other related business.	
Directorship in other Companies/LLP	Arodyne Chemicals Limited Aarayaa Advisors Private Limited Aarayaa Finstock Pvt. Ltd. Bluechip Leasing and Finance Ltd. Budh Holding & Trading Co. Pvt. Ltd.	Desai Investments Pvt. Ltd. VBD Capital Advisors Pvt. Ltd. SJH Impex Pvt. Ltd. Eigentum International LLP
Committee positions held in other Companies	Nil	
No. of shares held in the Company	4206	

3) Mr. Suraj Ravishchandra Vishwakarma

DIN & Date of Birth	07661216 – 26/11/1990
Qualification	B.Com, L.L.M, Cyber Law (PGD)
Experience in specific area	Mr. Suraj Vishwakarma has more than 10 years' experience in practice of Criminal Laws, Cyber Law and other litigation matters..
Directorship in other Companies/ LLP	SRV Legal LLP
Committee positions held in other Companies	Nil
No. of shares held in the Company	Nil

V. B. Desai Financial Services Limited

DIRECTOR'S REPORT

The Directors present their 40th Annual Report on the business and operations of the Company and the financial accounts for the year ended on 31st March, 2026.

FINANCIAL RESULTS (Rs. In lakhs)

Particulars	**For the year ended on 31/03/2026**	Previous year ended on 31/03/2025
Gross Income	**393.58**	332.79
Profit (before interest, depreciation & taxation)	**117.40**	77.16
Depreciation	**0.34**	0.34
Profit before tax	**116.80**	76.82
Provision for taxation for current year	**29.50**	18.85
Deferred Tax	**(0.09)**	(0.55)
Income tax of earlier years	**0.49**	(1.54)
Profit after adjustments	**86.90**	55.82
Profit/(Loss) carried to Balance Sheet	**86.90**	55.82
APPROPRIATIONS / TRANSFERS		
Profit/(loss) carried to Balance Sheet	**86.90**	55.82

Dividend

Your Directors do not recommend any dividend on equity shares in view of working capital requirement.

Transfer to General Reserve

No amount has transferred from the current year's profit to General Reserves, as no dividend has recommended by the Board of Directors on the equity shares of the Company.

Performance review

During the year under review, the Company earned gross income of Rs. 393.58 lakhs compared to Rs. 332.79 lakhs in the previous year with an increase of 18.27% in revenue. Correspondingly, the net profit after tax, adjustments and Other comprehensive income/ expenses also increased to Rs. 86.90 lakhs against Rs. 55.82 lakhs in previous year with an increase of 55.68%.

Nature of business of the Company

The Company is mainly engaged in Merchant Banking activities focusing on ESOP valuation, Company valuation and certification of AIF Placement Memorandum etc. There were no changes in nature of Company's business during the year.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There were no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, depression in market value of investments, institution of cases by or against the company, or destruction of any assets etc.

Internal control systems and their adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Chairman.

The management of the Company evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the assessment, the management undertakes corrective_action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations with corrective actions thereon are presented to the Audit Committee of the Board.

Subsidiaries/ Joint Ventures

The Company does not have Subsidiary or Joint Ventures.

Fixed deposit

The Company has not accepted deposits from Public and there were no outstanding deposits payable by the Company.

Particulars of Loans, Guarantees or Investments:

During the financial year ended on 31st March 2026, the loans and advances under section 186 of the Companies Act, 2013 were made with the prior approval of Audit Committee and the Shareholders. The details of the same is given in the Note No. 27 of the Financial Statements.

Related Party Transactions

During the financial year ended 31st March 2026, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed thereunder were in the ordinary course of business and at arm's length basis. Your Company does not have a 'Material Subsidiary' as defined under Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'].

All Related Party Transactions of your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Listing Regulations. There has been no materially significant Related Party Transactions having potential conflict with the interest of the Company during the year under review.

All Related Party Transactions entered by your Company were in the ordinary course of business and also on an arm's length basis, therefore details required to be provided in the prescribed Form AOC - 2 is not applicable to the Company. Necessary disclosures required under the Ind AS 24 have been made in Notes to the Financial Statements for the year ended on 31st March 2026.

Auditors & auditor's report

The Members of the Company at the 37th Annual General Meeting held on 22nd September 2023, have approved the appointment of M/s. N.S. Shetty & Co., Chartered Accountants as Statutory Auditors of the Company for a period of five (5) years to hold office from the conclusion of the 37th Annual General Meeting till the conclusion of 42nd AGM of the Company to be held in the year 2028.

The Report given by the Auditors on the financial statements of the Company forms part of this Annual Report. There has been no qualification, reservation, adverse remark, or disclaimer given by the Auditors in their Report. The Notes on Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments

Reporting of Fraud by Auditors:

There have been no instances of fraud reported by the Auditors u/s 143 (12) of the Companies Act, 2013 and rules framed thereunder either to the Company or to the Central Government.

Conservation of energy, technology absorbtion etc.

The particulars of conservation of Energy, Technology, Absorption, foreign Exchange Earnings and outgo have not been given since the same are not applicable to the Company.

Corporate Social Responsibility Initiatives

The Company does not come under the parameters specified under Section 135 of the Companies Act, 2013, hence no Committee has constituted Committee for Corporate Social Responsibility Initiatives.

Board of Directors, Board and Audit Committee Meetings:

Your Company's Board is duly constituted and is in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company. During the financial year ended on 31/3/2026, four board meetings were held on 06/05/2025, 21/07/2025, 05/11/2025 & 05/02/2026.

Mr. Manoj T. Shroff , Director of the Company shall retire by rotation at the forthcoming Annual General Meeting and offer himself for re-appointment. Brief profile along with necessary disclosures of retiring Directors and newly appointed Director has been annexed to the Notice convening the ensuing AGM and forms an integral part of this Annual Report. Your Board recommends re-appointment of Mr. Manoj T. Shroff .

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and there is no change in their status of independence.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration and Stakeholder's Grievance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Nomination and Remuneration Committee

The Board has on the recommendation of the Appointment and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Vigil Mechanism / Whistle Blower Policy

The Company has established a vigil mechanism to be known as the "Whistle Blower Policy" for its Directors and employees to report instances of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. All the members of the Board and designated employees have confirmed compliance with the Code.

Policy on prevention of sexual harassment of women at workplace

The Company has adopted a Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Your Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the Organization.

An Internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees and other women associates. All employees (permanent, contractual, temporary, trainees) are covered under this policy, which also extends to cover all women stakeholders of the Company.

During the financial year ended March 31, 2026, the Complaints received are as under:

Number of complaints received and disposed off: Nil

Maternity Benefits:

Your Company is committed to upholding the rights and welfare of its women employees. During the year under review, the Company continued to comply with the provisions of the Maternity Benefit Act, 1961, as amended from time to time.

The Company provides maternity benefits to eligible female employees, including paid maternity leave, nursing breaks, and other necessary facilities, in accordance with the law. The Company also supports a conducive and inclusive workplace environment to ensure the health, safety, and dignity of women employees during and after maternity. During the year under review, there were no female employees in the payroll of the Company.

Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Amosh Archapelli and Associates, Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as Annexure-A, which is self-explanatory.

Compliance with Secretarial Standards

The Board of Directors affirm that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board, its Committees and the General Meetings.

Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the last Annual Return of the Company as at March 31, 2025 is uploaded on the website of the Company and can be accessed at http://www.vbdesai.com

Risk Management Policy

Pursuant to Section 134(3) (n) of the Companies Act, 2013 and under the SEBI Listing Regulations, the Company has constituted a business risk management committee. The details of the Committee and its terms of reference are set out in the corporate governance report forming part of the Board report. At present the Company has not identified any element of risk which may threaten the existence of the Company.

Corporate Governance

The Company is exempted to give report on Corporate Governance under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and details of para C, D and E of Schedule V. The Company voluntarily given the Report on Corporate Governance and Management Discussion and Analysis Report forms part of this Report.

Business Responsibility Report:

Pursuant to Regulation 34 of the Listing Regulations, 2015, Business Responsibility Report is not applicable to our Company.

Equity Shares in the Suspense Account:

During the year under review, and in accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the Listing Regulations, there were no shares transferred to suspense account.

Foreign Exchange Earnings and Outgo

During the year ended March 31, 2026 the Company has earned Rs. 29.27 lakhs and spent Rs. Nil in foreign currency.

Director's responsibility statement

The Board of Directors of your Company confirms that:

a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
b) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;
c) the directors 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.
d) the Directors have prepared the Annual Accounts on a going concern basis; and
e) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operative effectively.

Particulars of employees

The Company did not have any employee falling within the purview of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5 (3) of Companies (Appointment and Remuneration of Managerial Persons Rule 2014. The percentage increase in remuneration of each Key Managerial Person (KMP) during the financial year 2025-26 and ratio of the remuneration of each KMP to the median remuneration of the employees of the Company for the financial year 2025-26 are given in Annexure B.

Management Discussion and Analysis:

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Management's discussion and analysis is set out as Annexure I forming part of this Annual Report.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere appreciation for the continued co-operation by the Clients and the Shareholders of the Company.

On behalf of the Board of Directors
Sagar Yadav
Chairman

PLACE: MUMBAI
DATE : August 17, 2026

Annexure A to the Directors Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2026
[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 11(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN: L74120MH1985PLC037218
ii) Registration date: 21st August 1985
iii) Name of the Company: V. B. Desai Financial Services Limited
iv) Category/ Sub-category of the Company: Company limited by shares
v) Address of the Registered office and contact details: Cama Building, 1st Floor, 24/26, Dalal Street, Fort, Mumbai 400 001
vi) Whether listed Company: Yes
vii) Name, Address and contact details of Registrar and Transfer Agents:
Purva Sharegistry (I) Pvt. Ltd., 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai- 400 011; Tel: 022-23016761

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name & description of main products/ services	NIC code of the product/ service	% to total turnover of the company
1	Merchant Banking activities	64990	72.11%
2	Interest Income	64990	27.89%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

(No. of Companies for which information is being filled)

S.No.	Name and Address of the Company	CIN/GLN	Holding/subsidiary/ associate	% of shares held	Applicable section
	NIL				

iv) SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of year				No. of Shares held at the end of the year				% of change total capital
	Demat	Phys ical	Total	% of Total Shar es	Demat	Phys ical	Total	% of Total Shar es	
A. **Promoters**									
(1) **Indian**									
a) Individuals/ Hindu Undivided Family	684066	0	684066	15.11	684066	0	684066	15.11	0
b) Central/State Government	0	0	0	0.00	0	0	0	0.00	0

c) Bodies Corporate	1229699	0	1229699	27.16	1229699	0	1229699	27.16	0
d) Financial Insti/ Banks	0	0	0	0.00	0	0	0	0.00	0
Sub Total(A)(1)	**1913765**	**0**	**1913765**	42.27	**1913765**	**0**	**1913765**	42.27	0
Foreign									
a) NRI Individuals/ Other Individuals)	0.00	0.00	0	0.00	0.00	0.00	0	0.00	0
b) Bodies Corporate	0.00	0.00	0	0.00	0.00	0.00	0	0.00	0
d) Any Others(Specify)	0.00	0.00	0	0.00	0.00	0.00	0	0.00	0
Sub Total(A)(2)	0.00	0.00	**0**	0.00	0.00	0.00	**0**	0.00	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**1913765**	**0.00**	**1913765**	42.27	**1913765**	**0.00**	**1913765**	42.27	0
B. Public shareholding									
1. Institutions									
a) Mutual Funds/ UTI	0	0	0	0.00	0	0	0	0.00	0
b) Financial Institutions / Banks	100	0	100	0.00	100	0	100	0.00	0
c) Central/State Government	0	0	0	0.00	0	0	0	0.00	0
d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
e) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
f) Foreign Portfolio Investors	50216	0	50216	1.11	42500	0	42500	0.99	0
Sub-Total (B)(1)	**50316**	**0**	**50316**	1.11	**42600**	**0**	**42600**	0.99	0
Non-institutions									
a) Bodies Corporate i) Indian	80767	25372	106139	2.34	81766	25372	107138	2.37	+0.08
Ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	1440111	338887	1778998	39.29	1534378	336581	1870959	41.32	-0.05
ii. Individual shareholders holding nominal capital in excess of Rs.2 lakh.	559853	0	584654	12.91	491822	0	491822	10.86	+0.55
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0
NRI (Repat & Non-Repat)	10363	0	10363	0.23	10188	0	10188	0.23	+0.02
Hindu Undivided Family	67753	0	67753	1.50	66599	0	66599	1.47	-0.70
Clearing Members	2118	0	2118	0.05	24819	0	24819	0.55	-0.10
Sub-Total (B)(2)	2204766	364259	2569025	56.74	2204766	361953	2571525	56.74	0
Total Public Shareholding (B)= (B)(1) +(B)(2)	2249866	364259	2614125	57.73	2249866	361953	2614125	57.73	0
TOTAL (A)+(B)	**4163631**	**364259**	**4527890**	**100.00**	**4163631**	**361953**	**4527890**	**100.00**	**0**
C. Shares held by Custodians for GDR & ADRs	0.00	0	0	0.00	0.00	0	0	0.00	
GRAND TOTAL (A)+(B)+(C)	**4163631**	**364259**	**4527890**	**100.00**	**4163631**	**361953**	**4527890**	**100.00**	**0**

(ii) Shareholding of Promoters

S. No.	Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		Number of shares held	% of total Shares of the Co.	% of Shares Pledged to total shares	Number of shares held	% of total Shares	% of Shares Pledged	
1	PRADIP R. SHROFF	4252	0.09	0.00	4252	0.09	0	0
2	JITENDRA R. SHROFF HUF	90988	2.01	0.00	90988	2.01	0	0
3	JITENDRA R. SHROFF	15310	0.34	0.00	15310	0.34	0	0
4	MUKESH THAKORLAL SHROFF	173367	3.83	0.00	173367	3.83	0	0
5	DHARTI J SHROFF	261041	5.77	0.00	261041	5.77	0	0
6	RAKSHA PRADIP SHROFF	7792	0.17	0.00	7792	0.17	0	0
7	GIRISH RATILAL SHROFF	1200	0.03	0.00	1200	0.03	0	0
8	JYOTI GIRISH SHROFF	2950	0.07	0.00	2950	0.07	0	0
9	RAJ PRADIP SHROFF	800	0.02	0.00	800	0.02	0	0
10	RAJ PRADIP SHROFF HUF	27923	0.62	0.00	27923	0.62	0	0
11	PURVI RAJ SHROFF	12000	0.27	0.00	12000	0.27	0	0
12	HEMENDRA J. SHROFF	3006	0.09	0.00	3006	0.07	0	0
13	HEMENDRA J. SHROFF HUF	1200	0.00	0.00	1200	0.02	0	0
14	MANOJ THAKORLAL SHROFF	800	0.02	0.00	800	0.02	0	0
15	SATYAM P. SHROFF HUF	25189	0.56	0.00	25189	0.56	0	0
16	PINKI MUKESH SHROFF	3000	0.07	0.00	3000	0.07	0	0
17	ALPA J. SHROFF	38217	0.84	0.00	38217	0.84	0	0
18	BINDU S MARFATIA	5431	0.12	0.00	5431	0.12	0	0
19	AARAYAA FINSTOCK PVT. LTD	9257	0.21	0.00	9257	0.20	0	0
20	DESAI INVESTMENTS PVT. LTD.	771607	17.04	0.00	771607	17.04	0	0
21	NEPTUNE STEEL STRIPS LIMITED	104520	2.31	0.00	104520	2.31	0	0
22	SOM HOLDING & TRAD CO. PVT LTD.	194215	7.60	0.00	194215	4.29	0	0
23	DESAI INDUSTRIAL FINANCE PVT. LTD.	150000	3.31	0.00	150000	3.31	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change): Nil

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No.		Shareholding at the beginning of the year		Inter-se transfer & Buy/ sold & during the year	Cumulative Shareholding during year	At the end of year on	
		No. of shares	% of total shares	No. of shares	No. of shares	No. of Shares	% of total shares
1	DEV ASHOK KARVAT	93738	2.07	0	93738	93738	2.07
2	SRIHARI SIRDESHPANDE	76700	1.69	0	76700	76700	1.69
3	VINOD CHANDRA BHATT	61,010	1.35	61,010	0	0	0
4	SHREEKANT JAVALGEKAR	57000	1.26	0	57000	57000	1.26
5	SPARROW ASIA DIVERSIFED OPPORTUNITIES FUND	50216	1.11	7716	42500	42500	0.94
6	HARSHA HITESH JAVERI	43000	0.94	0	43000	43000	0.94
7	ABDULKARIM HUSAIN KHIDIR	31664	0.70	9620	41284	31664	0.70
8	KRUTI EDUGROW PVT. LTD.	40000	0.88	0	40000	40000	0.88
9	HITESH RAMJI JAVERI	39550	0.87	0	39550	39550	0.87
10	ASHA SHREEKANT JAVALGEKAR	37825	0.84	0	37825	37825	0.84
11	MILIND KRISHNAJI KULKARNI	37000	0.82	0	37000	37000	0.82

(v) Shareholding of Directors and Key Managerial Personnel:

S.No.		Shareholding at the beginning of the year		Buy/ sold during the year	Cumulative Shareholding during year	At the end of year	
		No. of shares	% of total shares	No. of shares	No. of shares	No. of Shares	% of total shares
1	PRADIP RATILAL SHROFF	4252	0.09	0	4252	4252	0.09
2	MANOJ THAKORLAL SHROFF	800	0.02	0	800	800	0.02
3	HEMENDRA J. SHROFF	4200	0.09	0	4206	4206	0.09
4	KAMLESH M. GAGAVANI	506	0.02	0	506	506	0.02

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 0 0 0	 0 0 0	 0 0 0	 0 0 0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year · Addition · Reduction	 0 0	 0 0	 0 0	 0 0
Net Change	0	0	0	0
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 0 0 0	 0 0 0	 0 0 0	 0 0 0
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/ WTD	Total Amount
		Mr. Pradip R. Shroff	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.6,00,000	Rs. 6,00,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission- as % of profit & - others, specify	0	0
5	Others, please specify	0	0
	Total (A)	Rs.6,00,000/-	Rs. 6,00,000/-
	Ceiling as per the Act	Rs. 60,00,000/-	Rs. 60,00,000/-

B. Remuneration to other Directors

S.No	Particulars of Remuneration	Name of Directors							Total Amount
		Manoj Shroff	Nilesh Doshi	Hemendra Shroff	Rachana Vij-ayakar	Jitendra Shroff	Sanjay Kapadia	Sagar Yadav	
1	**Independent Directors**								
	Fee for attending board committee meetings		82500				67500	30000	217500
	Commission		0				0	0	0
	Others, please specify		0				0	0	0
	Total (1)		82500				67500	30000	217500
2	**Other Non-Executive Directors**								
	Fee for attending board committee meetings	37500		45000	45000	45000			172500
	Commission	0		0		0			0
	Others, please specify	0		0		0			0
	Total (2)	37500		45000		45000			172500
	Total (B)=(1+2)	**37500**	**82500**	**45000**	**45000**	**45000**	**67500**	**60000**	**382500**
Total Managerial Remuneration		600000							Rs.6,00,000
Overall Ceiling as per the Act									Rs. 60,00,000

C. Remuneration to key managerial personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	Nil	274750	1389750	1664500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission – as % of profit	0	0	0	0
	others, specify…	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	274750	1389750	1664500

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES - NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
(A.) COMPANY (B) DIRECTORS (C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure A of Directors Report – Form MR-3

SECRETARIAL AUDIT REPORT for the financial year ended 31st March 2026

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

To the Members,
V.B. Desai Financial Services Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by V.B. Desai Financial Services Limited (L74120MH1985PLC037218) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the V.B. Desai Financial Services Limited's 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 1st April 2025 to 31st March, 2026 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 V.B. Desai Financial Services Limited ("the Company") for the financial year ended on 31st March 2026, according to the provisions as applicable to the Company:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018; (Not applicable during the year)

(d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014; (Not applicable during the year)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the year)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the year)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the year)

(i) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

We further report that the Compliance by the Company of the undermentioned Acts and Rules have not been reviewed and we have relied on the representations made by the Company, its Officers and Reports issued by the Statutory Auditors.

a) Applicable Financial laws like Direct and Indirect tax laws, GST and others detailed under Tax Legislations

b) The Employees Provident Fund & Miscellaneous Provisions Act, 1952

c) Employees State Insurance Act, 1948

d) Payment of Bonus Act, 1965 and the payment of Bonus Rules, 1965

e) Payment of Gratuity Act, 1972;

f) Contract Labor (Regulation and Abolition) Central Rules, 1971

g) Income Tax 1961 and Rules made thereunder

h) Service Tax Act, 1994 and Rules made thereunder

i) Shops and Establishment Act of Maharashtra.

We have also examined compliance with the applicable clauses of the:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the above examination, we hereby report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations: Nil.

We further report that: The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

Specific observations / qualification, reservation, or adverse remarks in respect of the Board Structures / system and processes relating to the Audit period - Nil

We further report that during the audit period the Company has not incurred any specific event/ action except as stated above that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Amosh Archapelli
HARIHARAN & ASSOCIATES
Practicing Company Secretaries
Membership No. F10064
Certificate of Practice No. 12945
UDIN: F010064G000798423

July 23, 2026

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.

Annexure A to Secretarial Audit Report

To the Members,
V.B. Desai 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 as 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. I believe that the processes and practices, followed provide a reasonable basis for my 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 are the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report 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.

Amosh Archapelli
HARIHARAN & ASSOCIATES
Practicing Company Secretaries
Membership No. F10064
Certificate of Practice No. 12945
UDIN: F010064G000798423

Place: Navi Mumbai

Date: July 23, 2026

Annexure B

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of the remuneration of Managing Director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	**Designation**	**Ratio to median remuneration of the employees***
Mr. Pradip R. Shroff	Managing Director	NA

ii. The % increase in remuneration of Managing Director, Chief Financial Officer & Company Secretary in the financial year:

Name of the Director	Designation	Ratio to median remuneration of the employees*
Mr. Pradip R. Shroff	Managing Director	Nil
Mr. Shashank S. Vijayakar,	Chief Financial Officer	10%
Mr. Kamlesh M. Gagavani	Company Secretary	10%

iii. The % increase in the median remuneration of employees in the financial year : 10%

iv. The number of permanent employees on the rolls of the Company : 5

v. 1. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year. 10%

2. Average percentage increase in the managerial remuneration in the last financial year: 10%

i. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

ii. The Company has not increased remuneration to its employees during the year under review.

On behalf of the Board of Directors

Sagar Yadav

Chairman

Place: Mumbai
Date: August 17, 2026

REPORT ON CORPORATE GOVERNANCE

The Company is exempted to give report on Corporate Governance under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and details para C, D and E of Schedule V. The Company voluntarily report the following:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has adopted good corporate governance practices and ensures compliance with all relevant laws and regulations. It has lead to the satisfaction and transparency to the shareholders. Company's philosophy is concerned with ethics, values, morals, and social responsibility of the Company. The Company remains accountable to shareholders and other beneficiaries for their actions. The Company conducts its activities in a manner that is fair and transparent and perceived to be such by others. The Board of Directors of the Company has adopted the Code of Conduct for its members and senior management executives.

2. BOARD OF DIRECTORS

a) Composition

Name	Category	Designation
Mr. Nilesh R. Doshi (up to 29-07-2026)	Independent	Chairman
Mr. Pradip R. Shroff	Executive-Non Independent	Managing Director
Mr. Manoj T. Shroff	Non-Independent	Director
Mr. Hemendra J. Shroff	Non-Independent. Executive from 17-08-2026	Director
Mrs. Rachana S. Vijayakar	Non-Independent	Director
Mr. Jitendra R. Shroff	Non-Independent	Director
Mr. Sanjay N. Kapadia	Independent	Director
Mr. Sagar Yadav	Independent	Chairman from 17-08-2026
Mr. Suraj R. Vishwakarma	Independent from 17-08-2026	Director

The composition of the Board of Directors is in accordance with the provisions of and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Non-Executive Independent Directors of your Company have no pecuniary relationship or any transaction with your Company.

b) Board Meetings

The meeting of the Board of Directors is scheduled well in advance and generally held at the Company's Registered Office. Considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, the Board Meetings and Committee Meetings were also held through video conference mode for those Directors could not attend physically. The notice and the detailed agenda are sent well in advance to all the Directors. During the financial year ended on 31/3/2026, four board meetings were held on 06/05/2025, 21/07/2025, 05/11/2025 & 05/02/2026.

The attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) and number of other Directorship and Membership/Chairmanship of Committee are as follows:

Name of the Director	Attendance Particulars		No. of directorship/and Committee Membership / Chairmanship in other Companies				Sitting fees paid for attending Board & Committee Meeting
	Board Meetings	Last AGM	Directorship in private Companies/ LLP	Directorship in public Companies	Committee Member-ships	Committee Chairman-ships	
Mr. Nilesh R. Doshi up to 29-07-2026	4	Yes	2	0	0	0	Rs. 82500
Mr. Pradip Shroff	4	Yes	1	8	0	0	Rs. 0
Mr. Manoj Shroff	4	Yes	2	2	0	0	Rs. 37500
Mr. Hemendra J. Shroff	4	Yes	7	1	0	0	Rs. 45000
Mrs. Rachana S. Vijayakar	4	Yes	2	3	0	0	Rs. 45000
Mr. Jitendra R. Shroff	4	Yes	1	3	0	0	Rs. 45000
Mr. Sanjay N. Kapadia	4	Yes	7	0	0	0	Rs. 67500
Mr. Sagar Yadav	4	Yes	0	8	0	0	Rs. 60000
Total							Rs. 382500

c) **Brief Note on the Directors seeking appointment/ re-appointment at the 40th Annual General Meeting:**

In Compliance with and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, brief resume, expertise and details of other directorship, membership in committees of Directors of other companies and shareholding in the Company of the Directors proposed to be re-appointed and new appointment are given in the Annexure A of forming part of Notice.

d) Remuneration of Directors

The Company has during the year paid Rs. 6 lakhs being remuneration to Mr. Pradip R. Shroff, the Managing Director of the Company. At present Independent Directors are not paid any remuneration except sitting fees for attending Board and Committee Meetings. The sitting fees paid to the Directors are as given above.

3. AUDIT COMMITTEE

The scope of activities and powers of Audit Committee includes the areas prescribed under the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and section 177 of the Companies Act, 2013. The Board has set up Audit Committee having four Directors viz. Mr. Mr. Nilesh R. Doshi as the Chairman and Mr. Sanjay N. Kapadia, Mr. Pradip R. Shroff and Mr. Sagar Yadav, members of the Committee. During the financial year under review, 4 meetings were held on 06/05/2025, 21/07/2025, 05/11/2025 & 05/02/2026.

4. NOMINATION AND REMUNERATION COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchange, the Nomination and Remuneration Committee was consisting Mr. Sanjay N. Kapadia as the Chairman and Mr. Nilesh R. Doshi and Mrs. Rachana S. Vijayakar, members of the Committee. During the year the Committee held one meeting on 21-07-2025.

The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating remuneration and employment terms of Managing Director and senior management personnel, adherence to the remuneration / employment policy from time to time as finally approved by the Board of Directors. Preliminary evaluation of every Director's performance, Board diversity, compliance of the Code for Independent Directors referred to in Schedule IV of the Companies Act, 2013, compliance with the Company's Code of Conduct by Directors

and employees of the Company, reporting of non-compliances to the Board of Directors, recommending draft of the report required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, monitor loans to employees and any other matters which the Board of Directors may direct from time to time.

5. STAKEHOLDERS GRIEVANCE COMMITTEE

The Stakeholders' Grievance Committee comprises of 3 Directors viz. Mr. Manoj T. Shroff, the non-executive Director is the Chairman and Mr. Pradip R. Shroff and Mrs. Rachana S. Vijayakar are the members of the Committee. The Committee reviews the status of Investor Grievances and recommends measure to improve in solving Investor Services. During the year there were no complaints received from shareholders and there is no complaint which has remained un-addressed. During the year the Committee held one meeting on 06/05/2025.

6. RISK MANAGEMENT COMMITTEE

The Board of Directors has constituted "Risk Management Committee" as required under SEBI Listing Regulations. The Committee is responsible for risk identification, evaluation and mitigation and to set up process for risk management plan. The Committee consists Mr. Pradip R. Shroff as the Chairman and Mr. Hemendra J. Shroff, and Mr. Nilesh R. Doshi as Member of the Committee. During the year the Committee held two meetings on 06/05/2025 & 05/11/2025.

7. PERFORMANCE EVALUATION OF THE BOARD

Based on the inputs on aspects under the provisions of the Companies Act, 2013 and under SEBI Listing Regulations, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, independence of judgement, safeguarding the interest of the Company etc. received from each Directors specifically Executive, Non-Executive and Independent Directors, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees.

8. GENERAL BODY MEETINGS

Date	AGM/ EGM	Location	Time	No. of Special Resolution
09-09-2025	AGM	Through video conferencing (VC) and other audio-visual means (OAVM)	11.30 am	2
13-09-2024	AGM	Through video conferencing (VC) and other audio-visual means (OAVM)	11.30 am	3
07-09-2023	AGM	Through video conferencing (VC) and other audio-visual means (OAVM)	11.00 am	2

During the last year no business had been conducted through postal ballot.

9. DISCLOSURES:

a) There was no transaction of material nature with the Promoters, Directors, Management, or their relatives during the financial Year of the Company, which could have potential conflict with the interests of the Company at large.

b) During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any regulatory authority for non-compliance of any matter related to the capital market.

c) No personnel have been denied access to the Chairman or members of the Audit Committee. The mechanism of Whistle Blower Policy is in place.

d) The Company is in Compliance with the mandatory Provisions of and provisions of Regulations of the SEBI (Listing bligations and Disclosure Requirements) Regulation, 2015.

e) Code of Business Conduct and Ethics for Board of Directors and Senior Management: The Company has in place the Code of Business Conduct and Ethics for Board of Directors and Senior Management (the Code) approved by the Board of Directors. The Code has been communicated to Directors and the members of the senior management.

f) Details of utilization of funds

During the year under review, there were no Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7A) of the Listing Regulations.

g) Fees paid to Statutory Auditors

The total fees incurred by the Bank and its subsidiaries on a consolidated basis, for services rendered by Statutory auditors and its affiliates entities, is given below:

Audit fees Rs. 2.00 Lakhs : Statutory Certificates fees Rs. Nil

10. MEANS OF COMMUNICATION

a) The financial results of all four quarters were published in The Free Press Journal and Navshakti dailies. These were not sent individually to the shareholders.

b) The financial results or official news are displayed on the Company's website www.vbdesai.com

c) There were no presentations made to the institutional investors or to the analysts

d) The Management Discussion and Analysis Report forms a part of this Annual Report

11. GENERAL INFORMATION FOR SHAREHOLDERS

I	AGM: Date and Time	Thursday, 17th September, 2026 at 11.30 a.m
Ii	Financial Year	1st April 2025 - 31st March, 2026
Iii	Date of Book closure	11-09-2026 to 16-09-2026
Iv	Dividend payment date	No dividend recommended.
V	Listing on Stock Exchange	BSE Limited (BSE) Annual Listing fees have been paid to the Stock Exchanges for the year 2026-27
Vi	Stock Code	BSE Limited – 511110
Vii	ISIN of the Company for dematerialisation	INE848D01018

Market price date and performance in comparison to BSE Sensex during each month in 2025 -2026 on BSE Limited

Month	High – Rs.	Low – Rs.	BSE Sensex
April 2025	44.64	32.47	80242.24
May 2025	37.60	31.31	81451.01
June 2025	36.01	26.28	83606.46
July 2025	32.95	25.00	81185.58
August 2025	33.50	23.45	79809.65
September 2025	31.95	24.00	80267.62
October 2025	31.68	24.10	83938.71
November 2025	29.29	22.71	85706.67
December 2025	26.88	20.99	85220.6
January 2026	26.99	17.50	82269.78
February 2026	27.85	15.30	81287.19
March 2026	19.25	12.50	71947.55

Registrars & Transfer Agents Purva Sharegistry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai – 400 011.

Tel: 022-23016761/ 23018261; Email: support@purvashare.com; website: www.purvashare.com

Share Transfer System

All requests received for transfer of shares in physical form are processed by the Registrar and Transfer Agents and are approved by Stakeholders' Grievance Committee (earlier Share Transfer Committee). The share transfers are registered and returned within 15 days from the date of receipt, subject to documents being valid and complete in all respects.

Distribution of shareholding as on 31st March 2026

No. of Equity Shares Held	No. of Shareholders	No. of Shares	% Total
1 – 500	4292	569746	12.58
501 - 1000	247	191849	4.24
1001 - 2000	151	226300	5.00
2001 - 3000	47	119860	2.65
3001 - 4000	39	138122	3.05
4001 - 5000	32	151125	3.34
5001 - 10000	50	360508	7.96
10001 and above	47	2770380	61.18
TOTAL	**4,905**	**4527890**	**100.00**

Shareholding pattern as on 31st March 2026

SR. NO	CATEGORY	NO. OF SHARES HELD	% OF SHARE-HOLDING
1.	Promoters Holding		
	-Indian Promoters and Persons Acting in concert	1913765	42.27
2.	Mutual Funds	--	--
3.	Banks & Financial Institutions/FPI	42600	0.94
4.	Bodies Corporates/LLP	107138	2.37
5.	NRIs/OCBs	10188	0.22
6.	Clearing Members	24819	0.55
7.	Hindu Undivided Family	66599	1.47
8.	Indian Public	2362781	52.18
	TOTAL	**4527890**	**100.00**

Dematerialization of shares

As on 31st March 2026, 92% of the Company's total shares represented by 41,65,937 shares were held in dematerialized form Outstanding GDR/Warrants/ Convertible Instruments: The Company has no outstanding GDR/ Warrants/ Convertible Instruments.

Address for correspondence
V.B. Desai Financial Services Limited
Cama Building, 1st Floor 24/26, Dalal Street, Fort, Mumbai – 400 001. Tel: 022-40770777;
email: investor@vbdesai.com

On behalf of the Board of Directors
Pradip R. Shroff
Managing Director

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Declaration regarding affirmation of Code of Conduct
In terms of the requirements of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, this is to confirm that all the members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2026.

Place: Mumbai
Dated: August 17, 2026

Pradip R. Shroff
Managing Director

COMPLIANCE CERTIFICATE
[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

The Board of Directors
V.B. Desai Financial Services Limited

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit committee that there is no:

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) instances of significant fraud of which we have become aware and the involvement therein; if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For V.B. Desai Financial Services Limited

Pradip R. Shroff
Managing Director

Hemendra J. Shroff
Chief Financial Officer

Date: August 17, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Management discussion and analysis of financial condition and results of operations include forward looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate. Although the management has considered future risks as part of the discussions, future uncertainties are not limited to the management perceptions.

Securities and Exchange Board of India (SEBI) regulates capital market through the process of registering intermediaries and framing rules and regulations for each activity involving capital market functions. Your Company is one of the capital market intermediaries registered with SEBI as Category I Merchant Banker. The requirement of having trained personnel and infrastructure at various registered intermediaries is being implemented by SEBI which is helping the intermediaries to remain up-to-date in tune with global market conditions.

Industry structure and developments

The main activities of the Company are Merchant Banking and related activities. In the Merchant Banking activities, the Company mainly engaged in Company Share Valuation, ESOP Valuation, ESOP Advisory, assist in merger and acquisition, Due diligence of Alternative Investment Fund (AIF) Placement Memorandum, to act as Manager in Buy back of shares and in Acquisition and Takeover of Listed Companies. A positive economic and a conducive business and regulatory environment is expected to provide growth opportunities for Merchant Banking activities. The Company will continue to capitalize on Merchant Banking, Advisory Services and fund-raising opportunities by the growing economic needs of the industries.

Opportunities and Threats

A positive economic and a conducive business and regulatory environment is expected to provide growth opportunities for Merchant banking business. Your Company being a Financial Services Company (Merchant Banking and related activities), the Company seeks opportunities in Share Valuation, ESOP Valuation, ESOP Advisory, merger and acquisition, to act as Manager in Buy back of shares and in Acquisition, Takeover of Listed Companies and in other capital market activities. The amendment in Rule 11UA allows Merchant Bankers to calculate the fair value of shares issued by unlisted companies for the purpose of Section 56(2)(viib). This will provide significant business opportunities for the Company.

Segment wise performance

The Company has one segment i.e Merchant Banking and related services; therefore, segment wise reporting has not given. The income of the Company comprises of fees received on advisory services, Merchant Banking activities, Valuation and ESOP Advisory, Due diligence of AIF Placement Memorandum.

Outlook

The financial services sector has shown rapid growth with an improvement in the economic environment. Company will continue to capitalize the growing economic opportunities and looks forward in view of the reposed confidence of Investors in the capital market. With strengthening of the economy and stable economic environment, the Indian capital market is expected to perform well. The management will continue to focus on Merchant Banking activities and Advisory Services and endeavor to deliver best solutions to the clients to their satisfaction.

Risk and Concerns

Risk is an integral part of the business. Today financial services companies operate in increasingly complex, competitive and continuously evolving legislative and regulatory environment due to increasing globalization, integration of world markets, newer and more complex products & transactions and an increasingly stringent regulatory framework. With its past long experience in financial service industry, dedicated and trained professionals the Company counter the threats to the best possible extent in its business operation.

Internal control system.
The Company has a sound and adequate system of internal controls to monitor and control all the activities. The Company complies with all internal control policies and procedures as also other regulatory requirements.

Human resources
During the year under review there has been no material development on the Human Resource/Industrial Relations front during the year. The Company places significant importance to its human capital. The Company's focus is on recruitment of good talent and retention of the talent pool. The Company commends the commitment, dedication and competence shown by its employees in all aspects of business.

Analysis of Financial Conditions and Results of Operations and Review
The Financial Statements have been prepared in accordance with the requirements of the Act, Indian Generally Accepted Principles (Indian GAAP) and the Accounting Standards as prescribed by the Institute of Chartered Accountants of India. The Management believes that it has been objective and prudent in making estimates and judgments relating to the Financial Statements and confirms that these Financial Statements are a true and fair representation of the Company's Operations for the period under review.

Financial performance and operational review: (Rs. In lakhs)

	2025-26	2024-25
Total Income	393.58	332.79
Total Expenses	276.78	255.97
Profit before tax and exceptional items	**116.80**	**76.82**
Taxe expenses	29.90	20.94
Profit after tax	**86.90**	**55.88**
Other Comprehensive Income / (Loss)	--	--
Net Profit	**86.90**	**55.88**
Earnings per share (Basic)	1.92	1.23

Key Financial Ratios

Ratio	Basis of Ratio	Ratio Current Year	Ratio Previous Year	Vari ance %	Reason for major variance
Debt Turnover Ratio	Net credit sales/ accounts receivable	8.81	9.62	0.78	Delayed realization
Interest coverage Ratio	Earnings before Interest and Tax/ interest on debt	NA	NA	NA	NA
Current Ratio	Current Asset/ Current Liabilities	8.37	5.30	3.45	Current assets increased
Debt Equity Ratio	Total Debt/Shareholder's Equity	NA	NA	NA	NA
Operating Profit Margin Ratio %	Gross Profit/ sales	41.15	27.14	7.29	Better margin
Net Profit Margin Ratio %	Net profit/ sales	30.62	19.72	4,74	Improved margin
Return on Net Worth Ratio	Net Profit after Tax/ Average Shareholder's Fund	7.21	4.86	0.79	Improved margin

Cautionary statement
Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Investors are advised to exercise due care and caution while interpreting these statements.

On behalf of the Board of Directors

PLACE: MUMBAI
DATE : August 17, 2026

Sagar Yadav
Chairman

INDEPENDENT AUDITOR'S REPORT

To the Members of V. B. Desai Financial Services Limited
Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of V. B. Desai Financial Services Limited ("the Company") which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards(Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and Profit including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. Based on the circumstances and facts of the Audit, there are no key audit matters to be reported.

Information Other than the 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 Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance,

total comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.

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 financial statements dealt with by this report are in agreement with the books of accounts.

   d. In our opinion, the aforesaid 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 Company as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 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".

   g. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provision of and limits laid down under Section 197 read with Schedule V to 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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The company does not have any pending litigations which would impact its financial position.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. We are informed that the company did not have any pending derivative contracts.

iii. There has been no delay in transferring 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. The Company has neither declared nor paid the dividend during the year.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For N. S. Shetty & Co.
Chartered Accountants
FRNo. : 0110101W

Rohit Shetty
Partner
M. No. 135463
Place : Mumbai
Date : May 25, 2026
UDIN : 26135463OTFBQM2882

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 of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the 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, and to the best of our knowledge and belief, we report that:

(i) In respect of the Company's Property, Plant and Equipment and intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company didn't have any intangible assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified. Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) On the basis of our examination of the records of the Company, the Company does not own any immovable property, hence paragraph 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued it's property, plant and equipment or intangible assets during the year.

(e) No proceedings initiated or pending against the company for holding any benami property under Benami Transaction (prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The inventories of shares/stock lying in physical form, have been verified by the management at reasonable interval. The Company is maintaining proper records of inventories (securities). No material discrepancy was noticed between physical verification of stocks and book records. No physical verification is required in case of shares/stocks held in demat form by the Company.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has made investment in, companies, firms, limited liability partnership and granted unsecured loans to other parties, during the year, in respect of which:

a) During the year, the Company has given additional loan to Company is as follows:

- Additional amount granted/provided during the year to Company – NIL
- Balance outstanding as at the balance sheet date in respect of the loan granted during the year – NIL

b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

c) In respect of loans and advances in the nature loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of principal are regular.

d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) The Company has granted loans repayable on demand to companies. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act, 2013:
- Aggregate amount of loan repayable on demand granted to Company – Rs. 97.04 Lakhs
- % of loan to total loan – 9.30%

(iv) There are no transactions as referred to in section 185 of the Act. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act with respect to the loans and investments made to the extent applicable.

(v) The Company has not accepted any deposits within the meaning from section 73 to 76 of the Act and the companies (Acceptance of Deposit) Rules 2014 (as amended) during the year. Hence, paragraph 3(v) of the Order is not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Hence, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing with the appropriate authorities undisputed dues, including provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, goods and service tax, value added tax, cess and other material statutory dues as applicable to it and there were no such dues outstanding as at 31st March, 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, custom duty, excise duty, goods and service tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) The Company neither availed any loans or borrowings nor declared as wilful defaulter by any financial institution, banks, government or debenture holders during the year. Accordingly, clause 3(ix) of the Order is not applicable.

(x) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and not availed any term loans from banks or financial institutions during the year. Hence reporting under clause 3 (x) of the order is not applicable to the company.

(xi) (a) No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(b) No report sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4.

(c) As informed to us, the Company didn't receive any complaints from whistle-blower.

(xii) The Company is not a nidhi company. Hence, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Ind AS.

(xiv) (a) In our opinion, the Company has adequate internal audit system commensurate with the size and nature of its business.
(b) We have considered, the internal audit reports for the year audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedure.

(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 him. Hence, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Hence reporting under clause 3 (xvi) (a) to (d) of the order is not applicable to the company.

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There is no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) The Company is exempt from complying with Sec.135 of Companies Act, 2013.

For N S Shetty & Co.
Chartered Accountants
FRNo. : 0110101W

Rohit Shetty
Partner
M. No. 135463
Place : Mumbai
Date : May 25, 2026
UDIN : 26135463OTFBQM2882

Annexure - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred in Para 2(f) under "Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of V. B. Desai Financial Services Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 Companies Act, 2013, 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 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 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 internal financial controls system over financial reporting of the Company.

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 the 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, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N S Shetty & Co.
Chartered Accountants
FRNo. : 0110101W

Rohit Shetty
Partner
M. No. 135463

Place : Mumbai
Date : May 25, 2026
UDIN : 26135463OTFBQM2882

Balance Sheet As At 31st March, 2026

Particulars	Note No.	31st March, 2026		31st March, 2025	
		Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
ASSETS					
Non-Current Assets					
(a) Property,Plant & Equipment	1	**3.64**		3.56	
(b) Financial Assets					
(i) Investments	2	**26.43**		13.11	
(ii) Loans and Advances	3	**1,043.74**		1,043.74	
(iii) Other Financial Assets	4	**-**		19.25	
(c) Deferred Tax Assets (Net)	5	**9.10**		9.01	
(d) Tax Assets	6	**14.74**		8.71	
Total Non-Current Assets			**1,097.65**		1,097.38
Current Assets					
(a) Financial Assets					
(i) Securities for trade	7	**1.74**		1.52	
(ii) Trade Receivables	8	**32.20**		29.43	
(iii) Cash and Cash Equivalents	9	**18.99**		20.41	
(iv) Other Balances with Bank	10	**52.65**		37.38	
(v) Other Financial Assets	4	**139.13**		74.05	
(b) Other Current Assets	11	**7.74**		3.56	
Total Current Assets			**252.45**		166.35
Total Assets			**1,350.10**		1,263.73
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	12	**453.81**		453.81	
(b) Other Equity	13	**837.76**		750.86	
Total Equity			**1,291.57**		1,204.67
LIABILITIES					
Non-Current Liabilities					
(a) Provisions	14	**28.38**		27.70	
Total Non-Current Liabilities			**28.38**		27.70
Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables					
- Outstanding dues of MESE	15	**-**		-	
- Outstanding dues other than of MESE	15	**22.41**		23.07	
(b) Other Current Liabilities	16	**3.60**		4.30	
(c) Provisions	14	**4.14**		3.99	
Total Current Liabilities			**30.15**		31.36
Total Equity and Liabilities			**1,350.10**		1,263.73

See accompaying notes forming part of the financial statements 23 to 33

As Per Our Attached Report Of Even Date
For N. S. Shetty & Co.
Chartered Accountants
Firm Reg. No. 110101W

Rohit Shetty
Partner
Membership No. 135463

Place : Mumbai
Date : May 25, 2026

For and on behalf of the Board of Directors

Nilesh R Doshi
Chairman
06864567

Pradip R Shroff
Managing Director
00286291

Hemendra Shroff
Director
00286509

Kamlesh M Gagavani
Company Secretary

Shashank S. Vijayakar
Chief Financial Officer

Place : Mumbai
Date : May 25, 2026

Statement of Profit and Loss for the period ended 31st March, 2026

Particulars	Note No.	**For the year ended 31st March, 2026 Rs. In Lakhs**	For the year ended 31st March, 2025 Rs. In Lakhs
INCOME			
Revenue From Operations	17	**283.83**	283.06
Other Income	18	**109.75**	49.74
Total Income		**393.58**	332.80
EXPENSES			
Employee Benefits Expense	19	**52.90**	48.23
Depreciation Expenses	20	**0.60**	0.34
Other Expenses	21	**223.28**	207.42
Total Expenses		**276.78**	**255.99**
Profit/(Loss) before exceptional items and tax		**116.80**	76.81
Exceptional Items		**-**	-
Profit before tax		**116.80**	76.81
Tax Expenses			
(i) Current Tax	22	**29.50**	18.85
(ii) Deferred Tax		**(0.09)**	0.55
(iii) Prior Period Tax		**0.49**	1.54
Profit/(Loss) for the year after Tax		**86.90**	55.87
Other comprehensive income			
Items that may not be reclassified to the statement Profit or Loss			
Remeasurement of defined benefit plan		**-**	-
Income Tax relating to items that may not be reclssified to the statement of Profit & Loss		**-**	-
Total other Comprehensive Income, net of Tax		**-**	-
Total comprehensive income for the year		**86.90**	55.87
Earnings per equity share (for continuing operation)	26		
(i) Basic		**1.92**	1.23
(ii) Diluted		**1.92**	1.23
See accompaying notes forming part of the financial statements	23 to 33		

As Per Our Attached Report Of Even Date
For N. S. Shetty & Co.
Chartered Accountants
Firm Reg. No. 110101W

Rohit Shetty
Partner
Membership No. 135463

Place : Mumbai
Date : May 25, 2026

For and on behalf of the Board of Directors

Nilesh R Doshi
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06864567

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00286291

Hemendra Shroff
Director
00286509

Kamlesh M Gagavani
Company Secretary

Shashank S. Vijayakar
Chief Financial Officer

Place : Mumbai
Date : May 25, 2026

Cash Flow Statement for the year ended 31st March, 2026

		For the year ended 31st March, 2026		For the year ended 31st March, 2025	
		Rs. In Lakhs	**Rs. In Lakhs**	Rs. In Lakhs	Rs. In Lakhs
A	**Cash Flow from Operating Activities**				
	Net Profit before Tax		**116.80**		76.81
	Adjustments for :				
	Depreciation	**0.60**		0.34	
	Interest on Income Tax Refund	**-**		(0.57)	
	Dividend Income	**(0.46)**		(0.47)	
	Change in fair value of investment and inventories	**(1.57)**		0.11	
	Excess provision written back	**(0.54)**		(1.45)	
	Sundry Debit Balance w/off	**-**		1.89	
	(Profit)/Loss on Sale of Investments	**-**		2.46	
			(1.97)		2.31
	Operating Profit before Working Capital Changes		**114.83**		79.12
	Adjustments for :				
	(Increase)/Decrease in Trade Receivables	**(2.78)**		11.92	
	(Increase)/Decrease in Loans and Advances & Other Current and Non-Current Assets	**(50.01)**		(898.01)	
	Increase/(Decrease) in Liabilities & Provisions	**0.02**		(9.44)	
			(52.77)		(895.53)
			62.05		(816.41)
	Income Tax Paid (Net of Refund)		**(36.02)**		(14.75)
	Net Cash flow from Operating Activities (A)		**26.03**		(831.16)
B	**Cash Flow from Investing Activities**				
	Purchase of Investments/Securities for trade		**(11.97)**		-
	Purchase of property, plant and equipments		**(0.68)**		(3.61)
	Dividend Income		**0.46**		0.47
	Purchase of Investments		**-**		(27.55)
	Sale of Investments		**-**		879.25
	Net Cash flow from Investing Activities (B)		**(12.18)**		848.56
C	**Cash Flow from Financing Activities**				
	Net Cash flow from Financing Activities (C)		**-**		-
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		**13.85**		17.40
	Cash & Cash Equivalents at the beginning of the year		**57.79**		40.39
	Cash & Cash Equivalents at the end of the year		**71.64**		57.79

As Per Our Attached Report Of Even Date
For N. S. Shetty & Co.
Chartered Accountants
Firm Reg. No. 110101W

Rohit Shetty
Partner
Membership No. 135463

Place : Mumbai
Date : May 25, 2026

For and on behalf of the Board of Directors

Nilesh R Doshi
Chairman
06864567

Pradip R Shroff
Managing Director
00286291

Hemendra Shroff
Director
00286509

Kamlesh M Gagavani
Company Secretary

Shashank S. Vijayakar
Chief Financial Officer

Place : Mumbai
Date : May 25, 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A	Equity Share Capital (also refer note 12)	Rs. In Lakhs
	Particulars	**Total Equity share capital**
	As at April 01, 2024	453.81
	Changes in equity share capital	-
	As at March 31, 2025	453.81
	Changes in equity share capital	-
	As at March 31, 2026	453.81

B	Other Equity (also refer note 13)			Rs. In Lakhs
	Particulars	Reserves and Surplus		
		Securities Premium Account	Retained Earnings	Total
	Balance as at April 01 2024	**212.91**	**482.08**	**694.99**
	Changes during the year	-	-	-
	Premium on shares issued during the year	-	-	-
	Profit for the year	-	55.87	55.87
	Other Comprehensive income/(loss) for the year,net of tax	-	-	-
	Balance as at March 31, 2025	**212.91**	**537.95**	**750.86**
	Changes during the year	-	-	-
	Premium on shares issued during the year	-	-	-
	Profit for the year	-	86.90	86.90
	Other Comprehensive income/(loss) for the year,net of tax	-	-	-
	Balance as at March 31, 2026	**212.91**	**624.85**	**837.76**

Description of Reserve:
Securities Premium Account:
The amount received in excess of the par value of equity shares has been classified as securities premium.

Retained Earnings
Retained earnings represent the amount of accumulated earnings of the Company.

As Per Our Attached Report Of Even Date
For N. S. Shetty & Co.
Chartered Accountants
Firm Reg. No. 110101W

Rohit Shetty
Partner
Membership No. 135463

Place : Mumbai
Date : May 25, 2026

For and on behalf of the Board of Directors

Nilesh R Doshi
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06864567

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Hemendra Shroff
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00286509

Kamlesh M Gagavani
Company Secretary

Shashank S. Vijayakar
Chief Financial Officer

Place : Mumbai
Date : May 25, 2026

CORPORATE INFORMATION

The Company was incorporated in the year 1985 and came out with Maiden Public Issue of Equity Shares at par in the year 1986. The Company had managed numer of Public / Rights Issue of Equity / Debt of Corporates even during the period when Controller of Capital Issue (CCI) was in existence. The Company is Registered Category - I Merchant Banker with Securities and Exchange Board of India (SEBI). The Shares of the Company are Listed on Bombay Stcok Exchange (BSE) since 1986. The Company is actively engaged in the Management of IPOs of SME as well as on the Main Stock Exchange (BSE). The main focus of the company includes Consultancy and Valuation.

MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2026

A Basis of Preparation of Financial Statements

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

i) Certain Financial Assets and Liabilitues ie. Inventories and Investments

ii) Defined benefit plans "

B Property, Plant & Equipment and Depreciation

Proprty, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Depreciation on property, plant and equipment is provided on straight line method based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013.

C Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

D Inventories (Securities)

Items of inventories (securities) are measured at lower of cost and net realisable value.

E Impairment of Non-Financial Assets - Property, Plant and Equipment

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash fl ows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profi t and Loss. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

F Foreign Currency Transactions

The functional currency is Indian rupee (`)Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated.at the functional currency closing rates of exchange at the reporting date. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

G Investments

The Company has accounted its investments in unquoted equties at cost or at fair market value.

H Revenue Recognisition

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed. Interest income from a financial asset is recognised using effective interest rate method. Dividend income is accounted for when the right to receive it is established.

I Employee Benefits

The Company's contribution to Provident fund is charged to the Statement of Profit and Loss. The Gratuity liability, which is a defined benefit plan, there is an adequate provision for the same in the Books of Accounts as per the Management view as on balance sheet date, hence no actuarial valuation has been carried out and no provision has been made accordingly. Re-measurement of defined benefit plans in respect of post-employment if any are charged to the Other Comprehensive Income. Employees are entitled to avail leave instead of leave encashment.

J Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

K Accounting for Taxes on Income

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the 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.

L Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash fl ows. Where the eff ect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in fi nance costs. Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outfl ow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent assets are not disclosed in the fi nancial statements unless an inflow of economic benefits is probable.

M Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures.Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Assumptions

The cost of the defined benefit plans and the present value of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

Estimates

The estimates used by the company to present the amount in accordance with Ind AS reflect conditions as at the March 31, 2026.

V. B. Desai Financial Services Limited

Notes forming part of the financial statements for the year ended 31st March, 2026

1. Property, Plant & Equipments

Rs. In Lakhs

Particulars	Computer	Furniture	Total
GROSS BLOCK			
As at March 31, 2024	**2.47**	**-**	**2.47**
Additions	0.35	3.27	3.61
Deletions	-	-	-
As at March 31, 2025	2.82	3.27	6.09
Additions	0.68	-	0.68
Deletions	-	-	-
As at March 31, 2026	**3.50**	**3.27**	**6.76**
ACCUMULATED DEPRECIATION			
As at March 31, 2024	**2.19**	**-**	**2.19**
Charge for the year	0.18	0.16	0.34
Deductions	-	-	-
As at March 31, 2025	2.37	0.16	2.53
Charge for the year	0.27	0.33	0.60
Deductions	-	-	-
As at March 31, 2026	**2.64**	**0.49**	**3.13**
NET BLOCK			
As at March 31, 2024	0.29	-	0.29
As at March 31, 2025	0.46	3.10	3.56
As at March 31, 2026	0.86	2.78	3.64

2. Non-Current Investments

Particulars	**As at 31st March 2026**		As at 31st March 2025	
	No. of Shares / Units	**Value of shares**	No. of Shares / Units	Value of shares
		Rs. In Lakhs		Rs. In Lakhs
Mutual Funds (Quoted)				
UTI Master Share	**566**	**0.27**	566	0.29
HDFC Liquid Fund	**234.961**	**12.57**	-	-
HDFC Arbitrage Fund	**41,865.103**	**13.39**	41,865.103	12.63
HDFC Low Duration Fund	**334.018**	**0.20**	334.018	0.19
Total of Quoted Mutual Funds		**26.43**		13.11
Total of Quoted Securities		**26.43**		13.11

Notes forming part of the financial statements for the year ended 31st March, 2026

Particulars	**As at 31st March, 2026 Rs. In Lakhs**	As at 31st March, 2025 Rs. In Lakhs
3. Loans and Advances		
(Unsecured, Considered Good)		
(i) Non-current		
Other Loans		
Inter Corporate Deposit		
To Related Parties	**97.04**	97.04
To Others	**946.70**	946.70
Total	**1,043.74**	1,043.74
(ii) Current		
(Unsecured, Considered Good)		
To Others	**-**	-
Total	**-**	-
Disclosure of Loans and Advances to Related Parties:		
For 2025-26		
Type of Borrower	**Rs. In Lakhs**	% of the total Loans and advances
Promoters	**-**	0%
Directors	**-**	0%
KMPs	**-**	0%
Related Parties	**97.04**	100%
Total	**97.04**	100%

For 2024-25		
Type of Borrower	**Rs. In Lakhs**	% of the total Loans and advances
Promoters	**-**	0%
Directors	**-**	0%
KMPs	**-**	0%
Related Parties	**97.04**	100%
Total	**97.04**	100%

4. Other Financial Assets		
(i) Non-current		
(Unsecured, Considered Good)		
In Deposit Account with Bank maturity of more than 12 months	**-**	19.25
Total	**-**	19.25
(ii) Current		
(Unsecured, Considered Good)		
Interest Accrued on ICD and Bank Deposits	**139.13**	74.05
Total	**139.13**	74.05

Notes forming part of the financial statements for the year ended 31st March, 2026

Particulars	**As at 31st March, 2026 Rs. In Lakhs**	As at 31st March, 2025 Rs. In Lakhs
5. Deferred Tax Assets		
Related to Gratuity	**8.13**	7.92
Related to Property Plant & Equipments	**0.97**	1.09
Total	**9.10**	9.01

6. Tax Assets (Net)		
Opening Balance	**8.71**	13.79
Add: Taxes paid during the year	**35.53**	27.56
Less: Provisions made during the year	**29.50**	18.85
Add/(Less): Refund/adjustments during the year	**-**	(13.79)
Total	**14.74**	8.71

7. Securities for Trade

Particulars	Face Value	**As at 31st March 2026**		As at 31st March 2025	
		No. of Shares / Units	**Rs. In Lakhs**	No. of Shares / Units	Rs. In Lakhs
At Fair Value through Profit and Loss					
Quoted					
1. Equity Shares					
Ugro Capital Ltd. (Chokani Securities Ltd)	10	**248**	**0.20**	248	0.41
Mafatlal Spg. & Wvg. Co.Ltd.	10	**1**	**0.00**	1	0.00
Reliance Indus. Infrastructure Ltd.	10	**20**	**0.13**	20	0.16
Reliance Power Ltd	10	**125**	**0.03**	125	0.05
Sika Interplant System Ltd.	2	**15**	**0.12**	15	0.09
Sunraj Diamond Exports Ltd.	10	**500**	**0.09**	500	0.07
			0.57		0.78
2. Mutual Funds					
Nippon India Mutual Fund	10	**1,000**	**1.17**	1,000	0.74
			1.17		0.74
Total of Quoted Securities			**1.74**		1.52

Notes forming part of the financial statements for the year ended 31st March, 2026

8. Trade Receivables		
Current		
Unsecured		
(For Ageing Refer note no.23)		
Trade receivables - considered good	**32.20**	29.43
Trade receivables which have significant increase in Credit Risk	**-**	-
Trade receivables - credit impaired	**17.51**	17.51
Less: Allowance for trade receivables - credit impaired	**(17.51)**	(17.51)
Total	**32.20**	29.43
The credit period ranges from 15 days to 180 days.		
No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.		

9. Cash And Cash Equivalents		
Cash on Hand	**6.18**	4.74
Balances with Banks		
in Current Accounts	**12.81**	15.67
Total	**18.99**	20.41

10. Other Balances with Bank		
in Margin Accounts against Bank Guarantee	**1.09**	1.02
In Bank Deposits account with maturity less than 12 months	**51.56**	36.36
Total	**52.65**	37.38

11. Other Current Assets		
(Unsecured, Considered Good)		
Prepaid Expenses	**7.74**	3.56
Total	**7.74**	3.56

Notes forming part of the financial statements for the year ended 31st March, 2026

Particulars		As at 31st March, 2026 Rs. In Lakhs	As at 31st March, 2025 Rs. In Lakhs
12. Equity Share Capital			
Authorised			
50,00,000 (50,00,000) Equity Shares of `10/- each with voting rights		**500.00**	500.00
	Total	**500.00**	500.00
Issued			
45,46,200 (45,46,200) Equity Shares of `10/- each fully paid up with voting rights		**454.62**	454.62
	Total	**454.62**	454.62
Subscribed & Paid up			
45,27,890 (45,27,890) Equity Shares of `10/- each fully paid up with voting rights		**452.79**	452.79
Add: 18,310 (18,310) Forfeited Equity Shares		**1.02**	1.02
	Total	**453.81**	453.81
Details of Forfeited Shares :			
Amount originally paid up			
Class of Shares			
18,310 (18,310) Equity Shares		**1.02**	1.02
		1.02	1.02

12.1 The reconciliation of the number of shares outstanding with voting rights is set out below :

Particulars	As at 31st March, 2026	As at 31st March, 2025
Equity Shares at the beginning of the year	**45,27,890**	45,27,890
Add : Shares issued	**-**	-
Less : Shares Bought Back	**-**	-
Equity Shares at the end of the year	**45,27,890**	45,27,890

12.2 Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

12.3 The details of Shareholders holding more than 5% shares with voting rights:

	As at 31st March, 2026		As at 31st March, 2025	
Name of the Shareholder	**No. of Shares**	**% held**	No. of Shares	% held
Desai Investments Pvt. Ltd.	**7,71,607**	**17.04**	7,71,607	17.04
Mrs. Dharati J. Shroff	**2,61,041**	**5.77**	2,61,041	5.77

Notes forming part of the financial statements for the year ended 31st March, 2026

12.4 The details of Equity Sharesheld by Promoters:

Name of the Shareholder	**As at 31st March, 2026**		As at 31st March, 2025		Change in % of hold-ing
	No. of Shares	**% held**	No. of Shares	% held	
Desai Investments Pvt. Ltd.	**7,71,607**	**17.04**	7,71,607	17.04	NIL
Mrs. Dharati J. Shroff	**2,61,041**	**5.77**	2,61,041	5.77	NIL
Pradip R Shroff	**4,252**	**0.09**	4,252	0.09	NIL
Jitendra R. Shroff Huf	**90,988**	**2.01**	90,988	2.01	NIL
Jitendra R. Shroff	**15,810**	**0.35**	15,810	0.35	NIL
Mukesh Thakorlal Shroff	**1,73,367**	**3.83**	1,73,367	3.83	NIL
Raksha Pradip Shroff	**7,792**	**0.17**	7,792	0.17	NIL
Girish Ratilal Shroff	**1,300**	**0.03**	1,300	0.03	NIL
Jyoti Girish Shroff	**2,950**	**0.07**	2,950	0.07	NIL
Raj Pradip Shroff	**800**	**0.02**	800	0.02	NIL
Raj Pradip Shroff Huf	**27,923**	**0.62**	27,923	0.62	NIL
Purvi Raj Shroff	**12,000**	**0.27**	12,000	0.27	NIL
Hemendra J. Shroff	**3,006**	**0.07**	3,006	0.07	NIL
Hemendra J. Shroff Huf	**1,200**	**0.02**	1,200	0.02	NIL
Manoj Thakorlal Shroff	**800**	**0.02**	800	0.02	NIL
Satyam P. Shroff Huf	**25,189**	**0.56**	25,189	0.56	NIL
Pinki Mukesh Shroff	**3,000**	**0.07**	3,000	0.07	NIL
Alpa J. Shroff	**38,217**	**0.84**	38,217	0.84	NIL
Bindu S Marfatia	**14,431**	**0.32**	14,431	0.32	NIL
Aarayaa Finstock Pvt. Ltd	**9,357**	**0.20**	9,357	0.20	NIL
Neptune Steel Strips Limited	**1,04,520**	**2.31**	1,04,520	2.31	NIL
Som Holding & Trad Co. Pvt Ltd	**1,94,215**	**4.29**	1,94,215	4.29	NIL

Notes forming part of the financial statements for the year ended 31st March, 2026

Particulars	**As at 31st March, 2026 Rs. In Lakhs**	As at 31st March, 2025 Rs. In Lakhs
13. Other Equity		
Securities Premium		
Premium received on equity shares issued are recognised in the Securities premium account.		
Balance as per last Balance Sheet	**212.91**	212.91
	212.91	212.91
Retained Earnings		
Opening Balance	**537.95**	482.08
Add: Profit for the year incluing Other Comrehensive Income	**86.90**	55.87
	624.85	537.95
Total	**837.76**	750.86

14. Provisions		
Non-Current		
Provision for employee benefits		
Provision for Gratuity	**28.38**	27.70
Total	**28.38**	27.70
Current		
Provision for employee benefits		
Provision for Gratuity	**4.14**	3.99
Total	**4.14**	3.99

15. Trade Payable		
(For Ageing refer note No.24)		
Outstanding dues of MESE	**-**	-
Outstanding dues other than of MESE	**22.41**	23.07
(Refer Note below)		
Total	**22.41**	23.07
The company does not possess information about the micro, small and medium enterprises, as defined in the Micro, Small and Medium Enterprises Act, 2006 to whom the company owes and accordingly no additional disclosures have been made.		
16. Other Current Liabilities		
Statutory Dues	**3.60**	3.76
Advance from customer	**-**	0.54
Total	**3.60**	4.30

Notes forming part of the financial statements for the year ended 31st March, 2026

Particulars	**For the Year Ended 31st March, 2026 Rs. In Lakhs**	For the Year Ended 31st March, 2025 Rs. In Lakhs
17. Revenue from Operations		
Sale of Services	**283.83**	283.06
Total	**283.83**	283.06

18. Other Income		
Interest on Income Tax Refund	**-**	0.57
Interest on Deposits	**107.21**	45.87
Dividend Income	**0.46**	0.47
Excess Provision Written Back	**0.54**	1.45
Gains on Investment carried at fair value through statement of Profit & Loss	**1.54**	-
Other Income	**-**	1.38
Total	**109.75**	49.74

19. Employee Benefits Expense		
Salaries	**41.75**	37.27
Contribution to Provident Fund	**3.85**	4.05
Bonus	**2.89**	2.33
Gratuity	**0.83**	-
Staff Welfare Expenses	**3.58**	4.58
Total	**52.90**	48.23

19.1. Employee Benefit		
As per Indian Accounting Standard 19 “Employee Benefits” , the disclosures as defind are given below. **Defined contribution plans:** The company has recognised the following amounts in the Statement of Profit and Loss for the period		
Contribution to Employees’ Provident	**3.85**	4.05
Total	**3.85**	4.05
Defined benefits plans: Gratuity		
Non-Funded status of the plan		
Present value of unfunded obligations	**0.00**	0.00
Present value of funded obligations	**-**	-
Fair value of plan assets	**-**	-
Net Liability (Asset)	**0.00**	0.00
Profit and loss account for current period		
Service cost:		
Current service cost	**3.33**	2.36
Past service cost and loss/(gain) on curtailments and settlement	**-**	-
Due to Change in financial assumptions	**(0.81)**	0.75
Due to change in demographic assumption	**-**	-
Due to experience adjustments	**(1.69)**	(4.56)
Net interest cost	**-**	-
Total included in ‘Employee Benefit Expense’/ (Other Income)	**0.83**	(1.45)

Notes forming part of the financial statements for the year ended 31st March, 2026

Particulars	**For the Year Ended 31st March, 2026 Rs. In Lakhs**	For the Year Ended 31st March, 2025 Rs. In Lakhs
Actuarial loss/ (gain) due to experience		
Past service cost	**-**	-
Loss (gain) on curtailments	**-**	-
Liabilities extinguished on settlements	**-**	-
Liabilities assumed in an amalgamation in the nature of purchase	**-**	-
Exchange differences on foreign plans	**-**	-
Benefits paid	**-**	-
Closing Defined Benefit Obligation	**-**	-
Reconciliation of net defined benefit liability		
Particulars		
Net opening provision in books of accounts	**0.00**	33.14
Transfer in/(out) obligation	**-**	-
Transfer (in)/out plan assets	**-**	-
Employee Benefit Expense	**0.83**	(1.45)
Amounts recognized in Other Comprehensive Income	**-**	-
Benefits paid by the Company		
Contributions to plan assets	**-**	-
Closing provision in books of accounts	**0.83**	31.69
Bifurcation of liability as per schedule III		
Particulars		
Current Liability*	**4.14**	3.99
Non-Current Liability	**28.38**	27.70
Net Liability	**32.52**	31.69
* The current liability is calculated as expected contributions for the next 12 months or the net liability whichever is lower. Employee Benefits: The Company's contribution to Provident fund is charged to the Statement of Profit and Loss. The Gratuity liability, which is a defined benefit plan, there is a adequate provision for the same in the Books of Accounts as per the actuarial valuation as on balance sheet date, hence no provision has been made. Re-measurement of defined benefit plans in respect of post-employment if any are charged to the Other Comprehensive Income. Employees are entitled to avail leave instead of leave encashment.		
Principle actuarial assumptions		
Particulars		
Discount Rate	**7.14%**	6.61%
Salary Growth Rate	**10%**	10%
On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered and assessed the impact of the changes, consistent with the Labour Codes, draft rules and FAQs and found no material impact on financial statement.		

Notes forming part of the financial statements for the year ended 31st March, 2026

Particulars	**For the Year Ended 31st March, 2026 Rs. In Lakhs**	For the Year Ended 31st March, 2025 Rs. In Lakhs
20. Depreciation and Amortisation Expenses		
Depreciation	**0.60**	0.34
Total	**0.60**	0.34

21. Other Expenses		
Repairs and Maintenance - Others	**0.31**	0.86
Rates & Taxes	**0.04**	0.05
Communication	**0.73**	0.73
Director's Sitting Fees	**3.83**	3.90
Printing and Stationery	**1.75**	1.53
Advertisement Expenses	**0.59**	0.58
Business Service Charges	**0.79**	0.65
Office Expenses	**-**	0.09
Legal and Professional	**197.57**	181.40
Payments to Auditors (Refer Note below)	**2.00**	1.90
Membership & Subscription	**1.00**	0.80
Registration Fees	**3.21**	3.02
Sundry Debit Balance w/off	**-**	1.89
Loss on sale of investment	**-**	2.45
Loss on Investment carried at fair value through statement of Profit & Loss	**-**	0.11
Listing Fees	**3.25**	3.25
Miscellaneous Expenses	**8.21**	4.20
Total	**223.28**	207.42
Payments to the auditors comprises (net of GST input tax credit, where applicable):		
As Auditors - Statutory Audit	**2.00**	1.90
Total	**2.00**	1.90

22. Income Tax Recognised in Profit or Loss		
Current Tax	**29.50**	18.85
Adjustments in respect of Current Income Tax of Prior Years	**0.49**	1.54
Total	**29.99**	20.39

Notes forming part of the financial statements for the year ended 31st March, 2026

23. Ageing for trade receivable billed - current outstadning as at March 31, 2026 is as follows:

Rs. In Lakhs

		Outstanding for following periods from date of transactions					
Particulars	**Not Due**	**Less than 6 months**	**6 months - 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed trade receivables - considered good	-	27.66	4.54	-	-	-	32.20
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	17.51	17.51
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-
	-	27.66	4.54	-	-	17.51	49.71
Less: Allowance for trade receivables - credit impaired	-	-	-	-	-	(17.51)	(17.51)
Net Receivable	**-**	**27.66**	**4.54**	**-**	**-**	**-**	**32.20**

Rs. In Lakhs

Ageing for trade receivable billed - current outstadning as at March 31, 2025 is as follows:							
		Outstanding for following periods from date of transactions					
Particulars	**Not Due**	**Less than 6 months**	**6 months - 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed trade receivables - considered good	-	29.43	-	-	-	-	29.43
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	17.51	17.51
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-
	-	29.43	-	-	-	17.51	46.94
Less: Allowance for trade receivables - credit impaired	-	-	-	-	-	(17.51)	(17.51)
Net Receivable	**-**	**29.43**	**-**	**-**	**-**	**-**	**29.43**

Notes forming part of the financial statements for the year ended 31st March, 2026

24. Ageing for trade payable outstanding as at March 31, 2026 is as follows:

Rs. In Lakhs

	Outstanding for following periods from date of transactions					
Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade payables						
MSME	-	-	-	-	-	-
Others	-	22.41	-	-	-	22.41
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	22.41	-	-	-	22.41
Accured Expenses						-
						22.41

Ageing for trade payable outstanding as at March 31, 2025 is as follows:

Rs. In Lakhs

	Outstanding for following periods from date of transactions					
Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade payables						
MSME	-	-	-	-	-	-
Others	-	23.07	-	-	-	23.07
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	23.07	-	-	-	23.07
Accured Expenses						-
						23.07

Notes forming part of the financial statements for the year ended 31st March, 2026

Additional Regulatory Information
25. Ratio

Particulars	Numerator	Denominator	Current year	Previous year	Variance	Reason for variance more than 25%
Current ratio (in times)	Total current assets	Total current liabilities	8.37	5.30	57.82%	Due to increase in current and assets and reduction in current liability during the year.
Debt - Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	N.A.	N.A.	N.A.	-
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non - cash operating expenses + interest + other non - cash adjustments	Debt Service = Interest and lease payments + Principal repayments	N.A.	N.A.	N.A.	-
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	6.96	4.75	46.58%	Due to increase in Profit during the year.
Trade receivable turnover ratio (In times)	Revenue from operations	Average trade receivables	9.21	7.79	18.25%	-
Trade payables turnover ratio (in times)	Other expenses	Average trade payables	9.82	7.60	29.18%	Due to increase in Other Expenses during the year.
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	1.59	2.91	-45.40%	Due to increase in the working capital.
Net Profit ratio (in %)	Profit for the year	Revenue from operations	30.62	19.74	55.11%	Due to increase in Profit during the year.
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + lease liabilities + Deferred tax liabilities	9.11	6.42	41.77%	Due to increase in Profit during the year.
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	0.02	0.01	149.16%	Due to reduction in Investment in previous year

Notes forming part of the financial statements for the year ended 31st March, 2026

Particulars	**For the Year Ended 31st March, 2026 Rs. In Lakhs**	For the Year Ended 31st March, 2025 Rs. In Lakhs
26. Earnings per share		
Basic & Diluted		
Net profit for the year	**86.90**	55.87
Weighted average number of equity shares (Nos.)	**45,27,890**	45,27,890
Par value per share (in Rs.)	**10**	10
Earnings per share (in Rs.)	**1.92**	1.23

27. Related Party Disclosures

As per Indian Accounting Standard 24, the disclosures of transactions with the related parties are given below:

Details of related parties:

Description of relationship	**Names of related parties**	
Key Management Personnel (KMP)	Mr. Pradip R. Shroff	Managing Director
	Mr. Shashank S. Vijayakar	Chief Financial Officer
	Mr. Kamlesh Gagavani	Company Secretary
	Mr. Jitendra R Shroff	Director
	Mr. Hemendra J. Shroff	Director
	Mr. Manoj T. Shroiff	Director

Enterprise in which KMP/ Relatives of KMP can exercise significant influence

Desai Investments Pvt. Ltd.
Aarayaa Advisory Services Pvt. Ltd.
VBD Capital Advisors Pvt. Ltd.

Relative of a Director — Raj Pradip Shroff HUF

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2026 and balances outstanding as at 31st March, 2026:

Rs. In Lakhs

Particulars	KMP	Enterprise in which KMP/ Relatives of KMP can exercise significant influence	Relatives of Directors	Total
Remuneration	22.65	-	-	22.65
	19.89	-	-	*19.89*
Interest received	-	9.70	-	9.70
	-	*9.70*	-	*9.70*
Professional Fees Paid	-	182.96	-	182.96
`	-	*169.99*	-	*169.99*
Director's Sitting Fees	3.83	-	-	3.83
	3.90	-	-	*3.90*

Balances outstanding at the end of the year Rs. In Lakhs

Particulars	KMP	Enterprise in which KMP/ Relatives of KMP can exercise significant influence	Relatives of Directors	Total
Net Loans and Advances given/ (returned)	-	97.04	-	97.04
	-	*97.04*	-	*97.04*
Interest receivable on loans and advances given	-	55.18	-	55.18
	-	*46.44*	-	*46.44*
Trade Payable	-	21.47	-	21.47
	-	*21.57*	-	*21.57*
Note: Figures in italics relates to the previous year				

28. Earnings in Foreign Exchange

Particulars	For the Year Ended 31st March, 2026 Rs. In Lakhs	For the Year Ended 31st March, 2025 Rs. In Lakhs
Professional Fees	29.27	39.95

29. Segment Reporting

The Company has only one segment i.e. Merchant Banking and financial services, therefore segmentwise reporting has not been given as required by Indian Accounting Standard (IND AS 108).

30. Adoption of New Income Tax Provision ie. Section 115BAA of Income Tax Act

The Company has elected an option of reduced income tax rate of 22% plus surcharge and cess available under section 115BAA which is made effective vide Taxation Laws (Amendment) Ordinance 2019 from assessment year beginning on or after the April 1, 2020.

31. Financial Risk Management

Financial risk factors
"The Company's principal financial liabilities, comprises of trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations The Company's principal financial assets include trade and other receivables, cash and cash equivalent, investments and short-term deposits that derive directly from its operations. The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management overseas the management of these risks. Company's financial risk activities are governed by appropriate policies and procedures laid out by the senior management and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives . The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below."

Foreign currency risk
Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not a company's functional currency. Impact of the rate fluctuation is accounted in profit and loss.

Credit risk analysis
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk arising from cash and cash equivalents,deposits with banks,trade receivables, investments and other financial assets. Credit risk has been managed by the company by establishing credit limits and creditworthiness of customers to which the company grants credit terms in the normal course of business. For banks and financial institutions, only high rated banks/ institutions are accepted.

Customer credit risk is managed by each customer group subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade Receviable has been managed by the Company by establishing credit limits and creditworthiness of customers to which the Company grants credit terms in the normal course of business . Provision on Trade receivable is calculated as per expected credit loss method (ECL) as per IND AS. ECL is calculated on the basis of average bad debts on turnover of 3 years i.e from 2015-16 to 2017-18. Such average % is moderated to align with current and future business , customers and risk profile. The provision determined as per policy for the year 2016-17 amounts to Rs.17.51 Lakhs. As there is adequate provision pre-existing in the books , it is not required to make any addtional additional provision for the year. Further, it is also proposed to continue the same till the provision under IND AS exceeds the pre-existing provision in the books.

Classes of financial assets – carrying amounts:

Particulars	**As at 31st March, 2026 Rs. In Lakhs**	As at 31st March, 2025 Rs. In Lakhs
Measured at Fair Value		
Investments - Non Current (Note 2)	**26.43**	13.11
Not Measured at Fair Value		
Loans - Non Current (Note 3)	**1,043.74**	1,043.74
Other financial assets- Non Current (Note 4)	**-**	19.25
Trade Receivable - Current (Note 8)	**32.20**	29.43
Other financial assets- Current (Note 4)	**139.13**	74.05
Cash and Cash Equivalents (Note 9)	**18.99**	20.41
Bank Balances other than above (Note 10)	**52.65**	37.38
Total	**1,313.15**	**1,237.37**

Classes of financial Liabilities – carrying amounts:

Particulars	**As at 31st March, 2026 Rs. In Lakhs**	As at 31st March, 2025 Rs. In Lakhs
Not Measured at Fair Value		
Trade Payables	**22.41**	23.07

Liquidity risk analysis

Risk assessment
Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company has assets which are expected to be realised within 12 months Rs. 252.45 Lakhs as on March 2026 (as on March 2025 is Rs.166.35 Lakhs). The Company has liabilities which are expected to mature within 12 months Rs 30.15 Lakhs as on March 2026 (as on March 2025 is Rs.31.36 Lakhs/-). Hence Company had a working capital of Rs 222.30 Lakhs as on March 2026 (as on March 2025 is Rs.134.99 Lakh)

Risk Management
Whenever working capital is required Company's Executive Directors provides funding to the Company.

Fair value hierarchy

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 – The fair value of financial instruments that are not traded in active market (for example,counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant Inputs is not based on observable market data (unobservable inputs), the instrument is included in level 3. This is case of the unlisted equity instuments included in level 3

Capital management policies
"For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value and maintain an optimal capital structure to reduce the cost of capital. The Company monitors capital on the basis of the gearing ratio; Net debt (total borrowing net of cash and cash equivalents)/Total equity."

32. Transactions with Strike off companies
During the year, the company does not have any transaction with the Strike off Companies notified by the Ministry of Corporate Affairs.

33. Additional disclosure as required under schedule III of Companies Act, 2013 is either NIL or Not Applicable. Accordingly it is not reported.

As Per Our Attached Report Of Even Date
For N. S. Shetty & Co.
Chartered Accountants
Firm Reg. No. 110101W

Rohit Shetty
Partner
Membership No. 135463

Place : Mumbai
Date : May 25, 2026

For and on behalf of the Board of Directors

Nilesh R Doshi	Pradip R Shroff	Hemendra Shroff
Chairman	Managing Director	Director
06864567	00286291	00286509

Kamlesh M Gagavani	Shashank S. Vijayakar
Company Secretary	Chief Financial Officer

Place : Mumbai
Date : May 25, 2026

If undelivered, please return to
V.B. DESAI FINANCIAL SERVICES LIMITED
Cama Building, 1st Floor,
24/26, Dalal Street, Fort,
Mumbai – 400 001