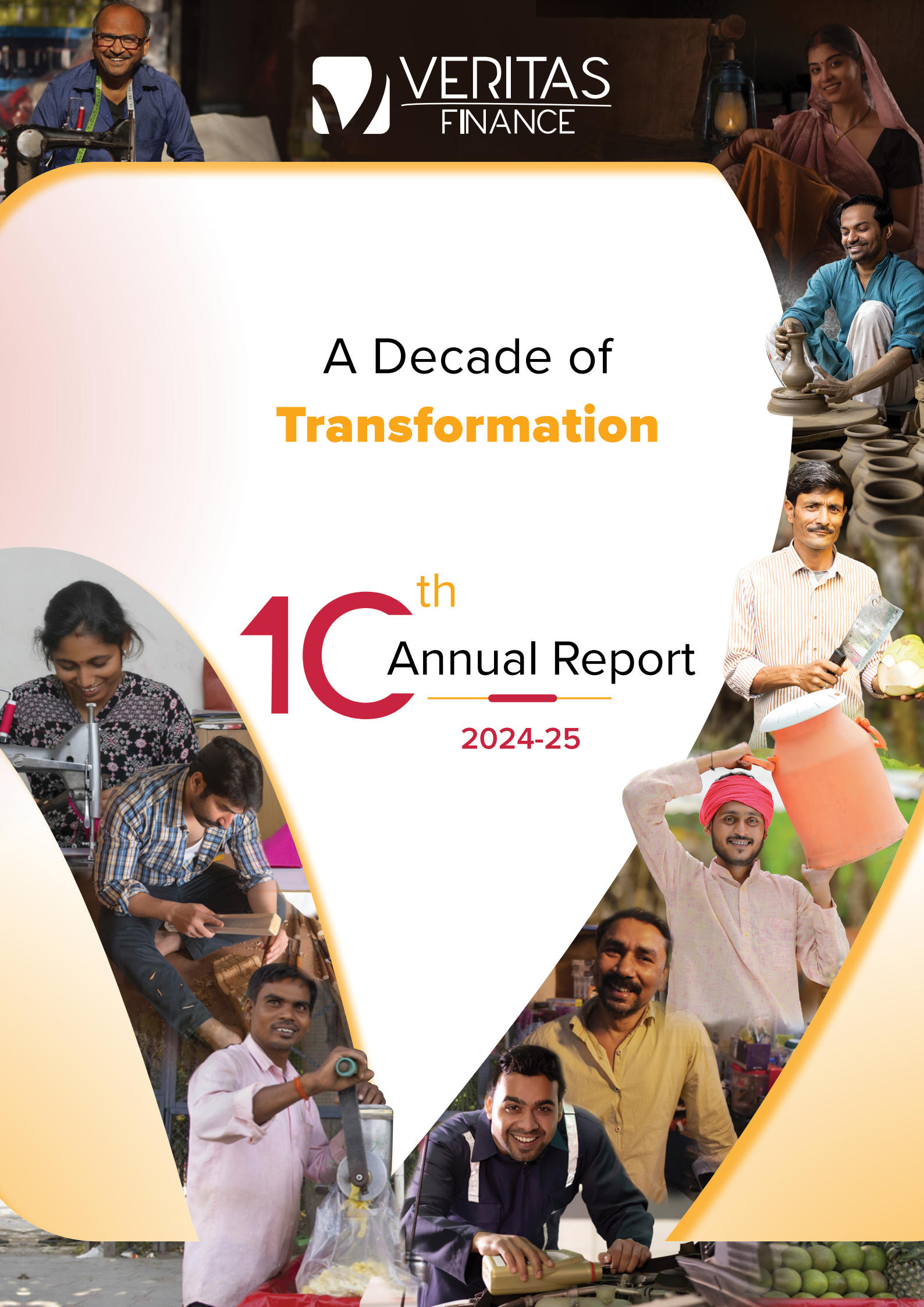
VERITAS FINANCE

A Decade of **Transformation**

10th Annual Report

2024-25



Business Highlights of FY 2024-25

Financial performance and analysis

(INR in crores)

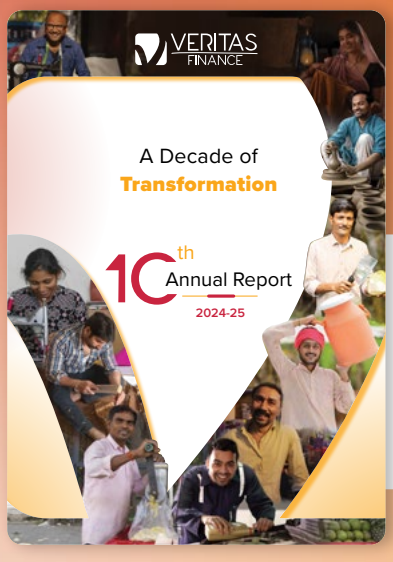
Key Figures	IND AS						IGAAP			
Particulars / Financial Year ended	**2024-25**	**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**	**2017-18**	**2016-17**	**2015-16**
Employees (in nos.)	7,796	6,299	4,432	2,727	2,333	1,850	1,422	719	335	73
Branch Network (in nos.)*	438	382	287	229	204	202	147	72	43	17
Districts (in nos.)	175	170	151	130	121	115	87	54	29	15
Loan Disbursements	3,933.12	3,702.43	2,244.65	1,188.28	614.56	838.99	559.09	315.49	104.74	6.19
Loan book	7,348.64	5,723.79	3,533.73	2,187.35	1,562.75	1,300.67	745.21	335.03	92.31	6.11
Net worth	2,783.17	2,329.55	1,591.26	1,408.05	888.02	821.79	443.70	165.70	40.09	41.68
Borrowings	5,629.24	3,995.81	2,425.32	1,195.65	1,254.15	1,009.82	592.16	295.89	70.86	-
Total Revenue	1,557.40	1,117.49	680.80	442.23	361.67	275.68	140.93	54.95	12.67	0.72
Net Interest Income	960.17	718.10	467.49	282.81	207.59	146.80	77.99	27.85	5.40	0.17
Profit Before Tax	388.32	322.96	232.85	101.36	82.04	43.81	28.28	6.50	-2.84	-1.92
Profit After Tax	295.11	245.05	176.40	75.40	62.02	33.34	20.49	6.06	-2.84	-1.92
Key Ratios										
Gross NPA (%)	2.21	1.79	2.19	3.94	2.70	1.86	0.90	0.74	0.95	-
Net NPA (%)	1.10	0.85	1.26	2.34	1.37	1.28	0.76	0.53	0.71	-
Capital Adequacy Ratio (%)	37.82	41.49	45.00	64.43	50.65	59.28	48.04	48.02	42.15	594.49
Return on Total Assets (%)	3.94	4.68	5.36	3.24	3.08	2.28	2.67	2.06	-3.62	-9.18
Return on Equity (%)	11.52	12.27	11.81	6.91	7.25	5.27	6.72	5.89	-6.94	-9.23
Basic Earnings Per Share (INR)	22.44	19.04	14.85	6.75	17.69	10.58	6.85	2.50	-1.86	-2.90
Diluted Earnings Per Share (INR)	22.25	18.86	14.52	6.60	6.50	3.63	2.68	1.14	-1.86	-2.43
Growth Ratios (in %)										
Loan book growth	28.39	61.98	61.55	39.97	20.15	74.54	122.43	262.94	1,410.80	-
Loan Disbursements Growth	6.23	64.94	88.90	93.36	-26.75	50.06	77.21	201.21	1,592.08	-

* Excluding 70 and 52 Service Centres as at 31-Mar-25 and 31-Mar- 24 respectively

Note: Please refer Glossary in page number 251 for the explanation.

Our Loan book grew by 28.39% to INR 7,349 crores, driven by disbursements of INR 3,933 crores.





An electronic version of this report is available online at:

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

Scan this QR code to navigate investor-related information

Disclaimer:

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



India's journey towards a USD 5 trillion will be considerably shaped by the ascending contribution of its semi-urban and rural regions.

India's financial inclusion has improved in recent years, but is still far behind advanced countries of the world. This is due to low penetration of banking and financial services in semi-urban and rural areas. At Veritas, we are committed to bridge this gap and bring small businesses and individuals within the ambit of formal channels of financing.

For a decade, we are addressing the financial requirements of underserved and underbanked MSMEs and individuals by providing them access to credit. MSMEs are the real engines of India's growth story and we are dedicated to help them scale their operations through faster and hassle-free disbursal of loans.

Our business model bridges the large credit gap that exists for the under-banked MSME space in India. The vision of our founder and the experience and expertise of our leadership team have enabled us to grow profitably and sustainably. We are further strengthening our technology backbone, underwriting and risk governance to remain resilient and focused on growth.





The sustained faith and support of our investors have helped us strengthen our Balance Sheet and fund our growth ambitions.

As we look forward to the next decade of growth and transformation, we look forward to the encouragement and support of all our customers, partners, employees, investors, lenders and Board of directors.

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Chairman's Message

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Corporate Social Responsibility (CSR)

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Award-winning Moments

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About Veritas

Enabling financial empowerment for decades

Since inception in 2015, Veritas Finance Limited (formerly known as Veritas Finance Private Limited) is focused on meeting the evolving financial requirements of the Micro, Small and Medium Enterprises (MSMEs) in India.

At Veritas, we act as a key catalyst of financial empowerment for a vast majority of people, especially those at the lower end of the socio-economic pyramid, who have remained underserved for decades.

Our business is run by professionals with rich experience in the financial services industry, making credit available to the last-mile citizens and making a positive impact on the lives of millions of Indians.



Providing Need Based Credit Solutions

Our strong on-ground presence provides simple, accessible and need-based credit solutions that help micro businesses scale their operations and geographic presence.

Our offerings help borrowers in the unorganised sector access working capital, expand operations and create better livelihoods. Guided by a customer-first philosophy, we ensure high levels of engagement and support at every step of the credit journey, right from loan origination to disbursal and repayment.

Sound credit assessment processes, quick turnaround times and flexible repayment options position us as a reliable financial partner. At Veritas, trust, inclusion and empowerment define our approach to provide financial services for India's Micro, Small and Medium Enterprises (MSMEs).

Vision

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

Mission

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

Values

1. Value-Driven in its approach
2. Ethical in all our dealings
3. Responsible in its engagement with people, focused on offering
4. Inclusive and sustainable finance
5. Transparent and Fair practices
6. Accessible to the underserved segment to make a meaningful contribution
7. Self-employed, Small Business segment of the society

HIGHLIGHTS THAT REFLECT OUR IMPACT

As of March 31, 2025, our Loan book aggregated to

INR 7, 349 crores

across our various products. Our growth is supported by our diverse product portfolio, geographic diversity and proprietary credit assessment model.

Geographic Footprint

Expanding our presence, making a difference

We operate through a network of

438 Branches

and

70 Service Centres

across

10 States

and

one Union Territory

in India, accelerating financial inclusion far and wide.



Tamil Nadu	Odisha
Andhra Pradesh	Jharkhand
Telangana	Bihar
Karnataka	Chhattisgarh
West Bengal	Puducherry (Union Territory)
Madhya Pradesh	

Financial Solutions

Diversifying our offerings across the decade

We offer an array of loans targeting different income groups to accelerate financial inclusion and bring more people into the economic mainstream.

Rural Business Loans:

Our Rural Business Loans comprise small business loans and home construction loans. Our primary customer base for this business comprises borrowers with a monthly income ranging between INR 25,000 - INR 80,000 and with limited or no prior formal credit history.

Affordable Home Loans:

We offer secured housing loans to borrowers primarily located in Tier-1 and Tier-2 cities, with loan tenures ranging from five to fifteen years for affordable housing purchases or construction. As such, our primary customers in our home loans business comprises low income self-employed and salaried borrowers and non-resident Indians. Self-occupied residential property of the borrower is generally provided as collateral for such loans.

Used Commercial Vehicle Loans:

Since March 2024, we offer secured used commercial vehicle loans to borrowers of semi-urban and rural regions in India. These loans usually have tenures of three years and are secured by a hypothecation charge over the vehicle. Our used commercial vehicle loans generally have small and light commercial vehicles of the borrower as collateral.

Working Capital Loans (Unsecured):

We offer unsecured short-term working capital loans to MSMEs in urban and semi-urban areas. These loans range from one to three years (with weekly repayment instalment schedules). Our primary customer base for this business comprises shopkeepers, restaurant owners, hardware store owners and other business owners with daily cash flows and prior credit history.

PROMOTING GENDER EQUITY

As part of our commitment to promoting gender equity, we have also introduced loans specifically targeted at women entrepreneurs for augmenting their business and livelihoods.

Business Highlights

Numbers that reflect impressive performance

INR 1,557.40 crores
Total Revenue

INR 295.11 crores
Profit After Tax (PAT)

INR 7,348.64 crores
Loan book

11.52
Return on Equity (%)

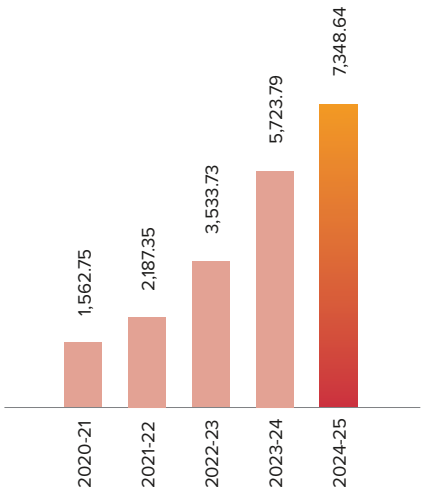
438
Branch Network

7,796
Employees

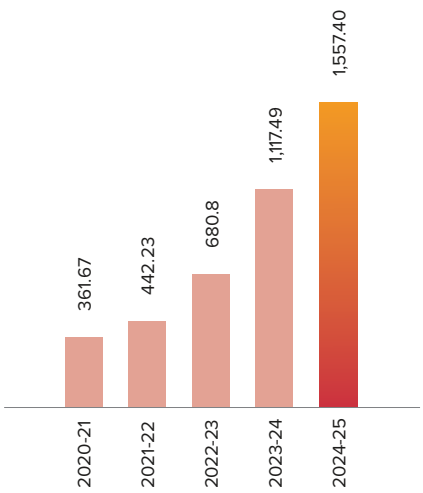


Financial Year/ Categories

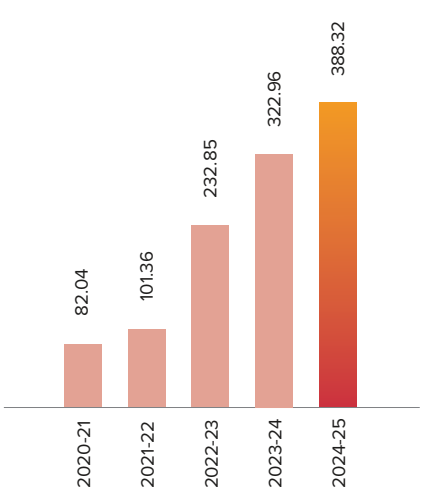
Loan Book (cr)



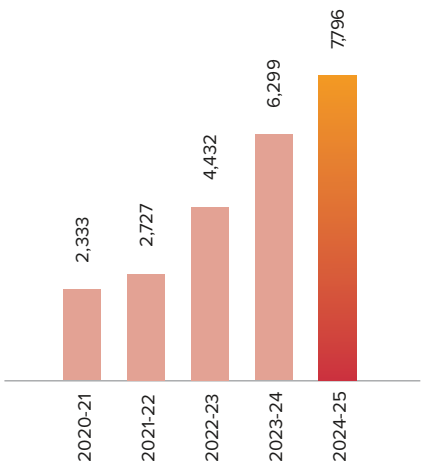
Income (cr)



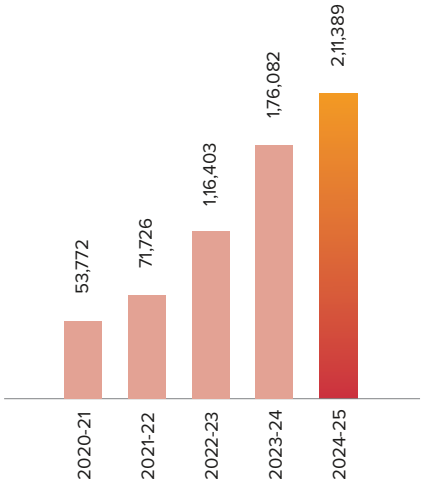
Profit Before Tax (PBT) (cr)



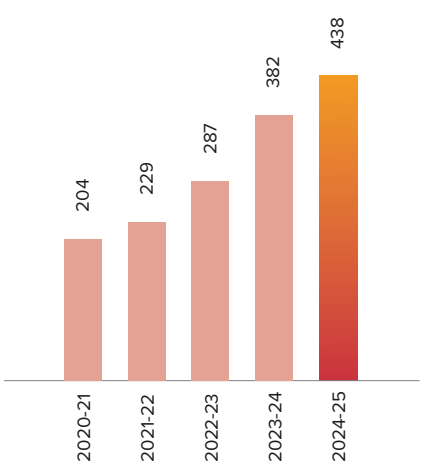
Employees



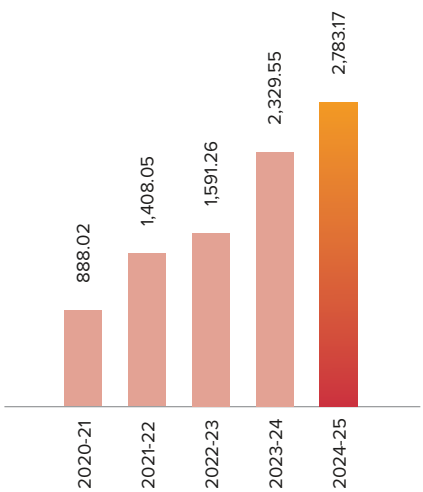
Customers



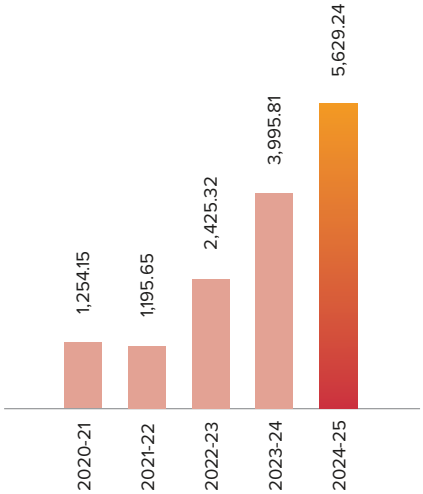
Branches



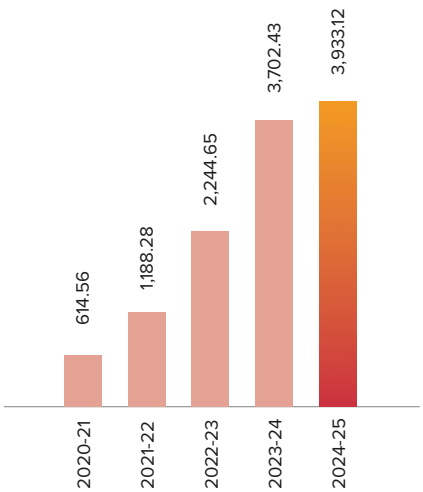
Net-worth (cr)



Borrowings (cr)



Dibursements (cr)



Recognitions

Award-winning moments

2019



Excellence Award at 8th **MiNE INDIA 2019**, for the contribution to the **MSME** Financing segment

2022



Arulmany D, MD and CEO, Veritas Finance was **awarded** Emerging Entrepreneur Award at the **10th** edition of **CII SR Business Entrepreneurship Awards 2022**

2023



Platinum Category Award by **CII – National Kaizen Competition**

2023





Veritas Finance was awarded 'Inclusive Enterprise Lending by **Non-Banking Finance Company of the Year Award'** at the 19th Inclusive Finance India Awards 2022

2024



Platinum Category 1st Runner-up award by **CII – National Lean Competition**

2024



ISO 18404:2015 CERTIFIED LEAN IMPLEMENTATIONS

2024



Awarding certificate of appreciation under **GST**

2025



Great Place To Work – Certificate 2nd time in a row

Corporate Information

Board of Directors

Mr. Raj Vikash Verma
Non-Executive Chairman and Independent Director

Mr. D Arulmany
Managing Director and Chief Executive Officer

Mr. Suresh Subramanian
Non-Executive Independent Director

Mr. Mathew Joseph
Non-Executive Independent Director

Mr. Sankarson Banerjee
Non-Executive Independent Director

Ms. Susan Thomas
Non-Executive Independent Director

Mr. Parin Mehta
Non-Executive Nominee Director

Ms. Priyamvada Ramkumar
Non-Executive Nominee Director

Mr. Sudhir Narayanankutty Variyar
Non-Executive Nominee Director

Strategic Advisor
Mr. P. Surendra Pai

Executive Director, Chief People Officer
Mr. J Prakash Rayen

Chief Financial Officer
Mr. Naveen Raj R

Company Secretary & Compliance officer
Ms. V Aruna

Bankers

PSU Banks

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

Private Sector Banks

Axis Bank Limited
Bandhan Bank Limited
CSB Bank Limited
Dhanlaxmi Bank Limited
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
IDFC First Bank Limited
IndusInd Bank Limited
Karnataka Bank Limited
Kotak Mahindra Bank Limited
RBL Bank Limited
South Indian Bank
The Federal Bank Limited
The Karur Vysya Bank Limited
Yes Bank Limited

Small Finance Banks

AU Small Finance Bank Limited
Capital Small Finance Bank Limited
Equitas Small Finance Bank Limited
Ujjivan Small Finance Bank Limited

Foreign Banks

Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited

NBFCs/FIs

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

NCD Holders

A.K. Capital Finance Ltd
Axis Mutual Fund Trustee Ltd
BlueOrchard Microfinance Fund
UNIFI AIF
NAVAL Group Insurance Fund

PTC HOLDERS

Axis Mutual Fund Trustee Ltd
LandT Finance Holdings Limited
Edge Credit Opportunities Fund I
Godrej Finance Limited
Nippon Life India Trustee Ltd
HDFC Asset Management Company Limited
HSBC Mutual Fund
Kotak Mahindra Mutual Fund

DEBENTURE TRUSTEE

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

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

CREDIT RATING AGENCIES

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

Registrar & Transfer Agent

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

Secretarial Auditors

M/s M Damodaran & Associates LLP, Chennai

Statutory Auditors

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

Registered Office

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

CONTACT DETAILS

Phone : +91 44 4615 0011
Toll Free : 1800-202-9155
Email : corporate@veritasfin.in
Website : www.veritasfin.in

10 Glorious Years

Unveiling our remarkable journey over the years

Over the years, we have evolved in step with changing times, expanding our offerings to retail customers and enabling their financial empowerment.

2019

- Entered Jharkhand.
- Loan book crossed INR 1,000 crores.

2018

- Achieved cumulative break-even.
- Crossed 100 branches and expanded into Telangana Andhra Pradesh and Madhya Pradesh.
- Raised equity from Norwest Venture Partners X - Mauritius and British International Investments Plc.
- Received CARE BBB+ rating for long-term banking facilities.

2017

- Entered West Bengal, Odisha and Karnataka.
- Loan disbursements surpassed INR 100 crores for the year.
- Raised equity from British International Investments Plc (CDC), Lok Capital Growth Fund and Sarva Capital LLC.
- Received CARE BBB- rating for long-term banking facilities.

2016

- Expanded to the Union Territory of Puducherry.
- Secured first private equity from Sarva Capital LLC and Caspian Impact Investment Adviser.

2015

- Incorporated as Veritas Finance Private Limited and registered as an NBFC with the RBI.
- Commenced operations in Tamil Nadu through offices in Coimbatore and Trichy.

2020

- Raised equity from Kedaara Capital Fund II LLP, Norwest Venture Partners X - Mauritius and Lok Capital Growth Fund.
- Received CARE A- rating for long-term banking facilities.

2021

- Raised equity from a consortium of marquee investors including Norwest Venture Partners X - Mauritius, Kedaara Capital Fund II LLP, Growth Catalyst Partners LLC and Evolvence India Fund III Ltd.

2022

- Customer base crossed 100,000; branch network reached 250+.
- Received CARE A1+ short-term credit rating for Commercial Paper.

2023

- Commenced operations in Bihar and Chhattisgarh.
- Received CARE A+ for long-term and A1+ for short-term banking facilities.
- Raised funds from Multiples Private Equity Fund III and Avendus Future Leaders Fund II.
- Loan book crossed INR 5,000 crores.

2024

- Crossed 400 branches.
- Launched vehicle loans.
- Long-term CARE A+ outlook revised to 'Positive'.
- Converted from Private Limited to Public Limited Company

2025

- Loan book crossed INR 7,000 crores.

Competitive Advantages

Staying ahead of the curve

Over the past decade, Veritas Finance has built a robust foundation anchored in trust, customer centricity and a deep understanding of MSME lending. Our core strengths continue to evolve, helping us deliver tailored retail credit solutions, scale our presence and empower underserved communities across India.

Specialised focus on MSMEs

Exclusive lending to Micro, Small and Medium Enterprises (MSMEs), backed by deep market knowledge and strong borrower relationships.

Customer-first philosophy

Personalised service approach with doorstep delivery of credit, high-touch engagement and strong grievance redressal mechanisms.

Widespread presence with granular approach

Growing branch network across 10 states and 1 Union Territory, supported by locally recruited teams familiar with regional markets.

Disciplined underwriting and risk management

Robust credit assessment framework and conservative provisioning policies ensure strong asset quality.

Technology-led scalability

Investments in digital tools and mobility solutions enhance customer onboarding, credit delivery and operational efficiency.

Strong governance and leadership

Guided by an experienced Board and professional management with a deep commitment to financial inclusion and sustainable growth.

SHAPED BY RURAL INSIGHTS

Our strong rural focus has also equipped us with domain knowledge regarding the characteristics of local markets and prospective borrowers, enhancing our ability to tailor our products and services accordingly.

Business Model

Innovative solutions and technology integration

As we mark a decade of dedicated service, we continue to harness the power of technology to transform lending for India's micro and small enterprises. Our digitally driven and data-backed operating model is integral to our growth strategy, enabling scalable operations, improved risk management and a seamless credit experience to our borrowers.

Digital lending journey

We have adopted a technology-led approach that automates the entire loan lifecycle, from sourcing and credit underwriting to disbursal and collections.

- 100% digital and paperless sourcing and underwriting, ensuring speed and accuracy in loan processing
- OCR-driven KYC for seamless identity verification
- AI/ML-based credit scorecards to enhance underwriting precision and risk profiling
- E-signature-enabled documentation for faster and contactless execution
- Fully digital disbursal of loans, improving turnaround time
- Nearly 90% of collections processed through UPI and e-NACH mandates, ensuring convenience and traceability

Advanced Underwriting and Risk Models

Our proprietary credit scorecard leverages 400+ borrower data points and employs machine learning to assign dynamic risk scores. These are integrated with our rule-engine-based credit workflows to determine pricing and approval authority. This digitised framework supports real-time decision-making while retaining the 'high-touch' human engagement model that defines our field operations.

Smart Collections with Predictive Insights

Veritas has implemented predictive algorithms to anticipate potential defaults and uses tools like dynamic QR codes and WhatsApp-enabled UPI reminders to streamline collections.
All repayments are digitally acknowledged with SMS-based receipts, enhancing transparency and trust with borrowers.

Data-Driven Decision Support

A central data lake architecture collates information from across systems and powers dashboards accessible across all management levels, facilitating daily performance monitoring and enabling proactive interventions.

Infrastructure

We operate on a hybrid on-premise and multi-cloud IT infrastructure, supported by ISO 27001:2022 certified data security protocols. Real-time cloud backups and automated disaster recovery systems ensure business continuity and protection from cyber threats.

Digital Access

Our mobile application, available in seven regional languages, enables borrowers to manage EMIs, view loan details and raise queries using voice messages ensuring accessibility for rural customers. We are also piloting self-onboarding and paperless execution tools to improve borrower experience and expand our outreach.



Human Assets

Driving transformation with a people-first strategy

Our human assets remain at the heart of everything we do. Over the years, we have built a diverse, skilled and passionate workforce dedicated to supporting India's micro and small businesses.

Our people strategy at Veritas is anchored in inclusivity, continuous development, strong engagement and recognition of performance. Our on-ground presence is strengthened by teams that have deep knowledge of the markets and the customers we serve.

We combine digital efficiency with human interaction to build long-term customer relationships and drive responsible lending. We are proud to be certified as a Great Place to Work for 2024 by the Great Place to Work® Institute, a recognition of our employee-first culture and inclusive workplace practices.

7,796

Full-time professionals

3,415

Sales Team (43.80% of total workforce)



Building Capability through Continuous Learning

At Veritas, we believe that strong field capability is the foundation of responsible lending. Our sales and credit personnel undergo rigorous training that equips them with the skills to assess borrowers using practical, on-ground indicators such as inventory levels, customer footfall and transaction patterns.

To ensure future-readiness, we also invest in the continuous development of our mid-level and senior employees through structured leadership training programmes. These are designed to enhance decision-making, team management and strategic thinking capabilities, thereby creating a strong leadership pipeline to support our growth in the years ahead.



Performance and Recognition

To attract and retain high-performing talent, Veritas offers a robust performance and rewards framework. This includes:

- Performance-linked incentives for sales and collections teams
- Employee Stock Option Schemes (ESOS)
- Quarterly rewards and recognition programmes at the branch level
- Allowances for vehicles for eligible roles
- Retention bonuses to support long-term employee engagement and stability

Engagement and Communication

At Veritas, we aim to nurture a culture of open dialogue, transparency and continuous engagement across all levels of the organisation. We have established multiple channels to encourage two-way communication and keep employees informed and involved.

Through our in-house grievance redressal platform, Hot Line, employees can voice concerns securely and receive timely resolutions. Our quarterly newsletter, Livewire, keeps teams updated on internal developments, achievements and people-centric initiatives. Additionally, we use digital posters and communication aids across branches to raise awareness about employee benefits, policies and workplace updates.



Corporate Social Responsibility (CSR)

Committed to Meaningful Change

At Veritas Foundation, we believe that true progress lies in building a stronger, more equitable society. Our CSR efforts continue to focus on education, empowerment and infrastructure, creating environments where individuals and communities can thrive. Through targeted initiatives across Tamil Nadu, we are addressing critical needs and building a future of opportunity.

Renovation of Government High School, Ladapuram

As part of the Tamil Nadu Government's Namma School Namma Oru Palli (NSNOP) initiative, Veritas Foundation undertook the comprehensive renovation of the Government High School in Ladapuram, Perambalur District. With an investment of INR 2.15 crores, the school now stands as a safer, cleaner and more inspiring space for its students. The project was inaugurated on March 5, 2025, by Ms. Grace Pachuau, I.A.S., District Collector of Perambalur.

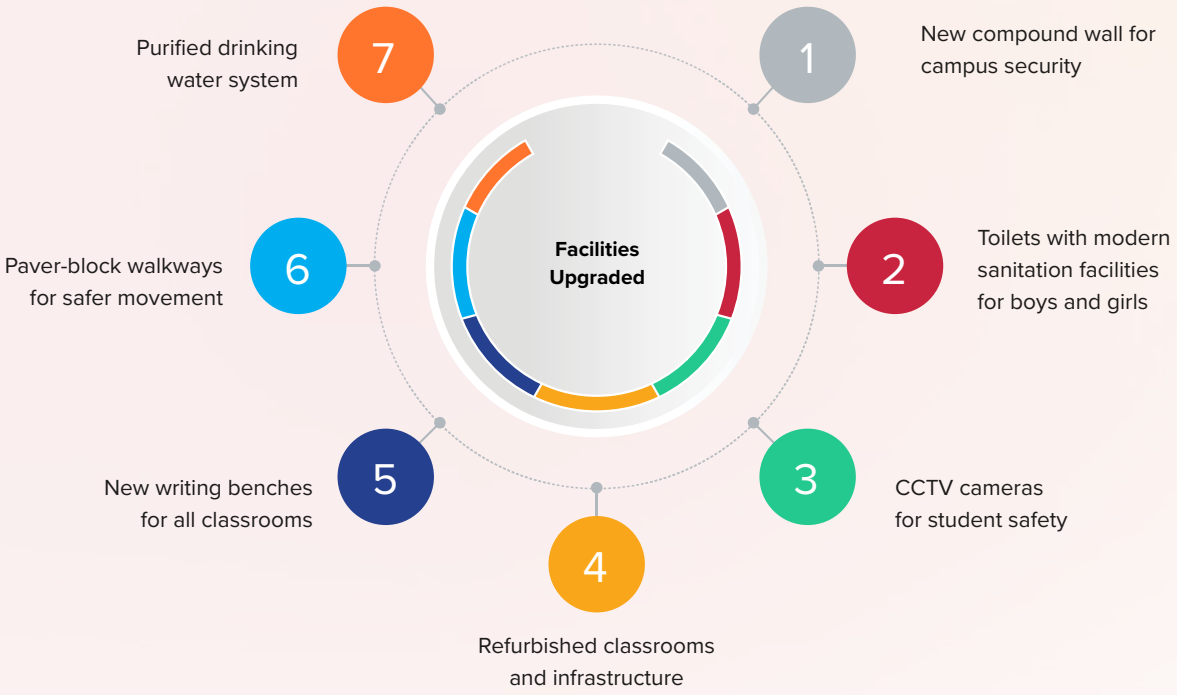


INR 2.15 crores

Total CSR spend

166 students

directly impacted



Scholarships for Girl Students across Tamil Nadu

In FY 2024–25, Veritas Foundation provided scholarships worth INR 1 crore to 42 girl students across Tamil Nadu, empowering them to pursue higher education in fields of their choice. This initiative is part of our ongoing partnership with the NSNOP programme and aims to inculcate independence and confidence amongst young women, giving them an opportunity to a brighter future.



INR 1 crore

in scholarships disbursed

10+

leading institutions across India

42

girl students supported

100%

coverage of tuition and academic expenses

18 students

Fashion Technology and Design (NIFT Chennai, Kannur, Patna and Bangalore)

7 students

Engineering (NIT Trichy and Calicut)

17 students

Chemistry, Nursing, Economics, LLB, Food Technology, Hotel Management, etc.

Chairman's Message



Our strategic priorities are anchored in the balance between scale and control, growth and governance and innovation and stability. We are focused on broadening our product portfolio, deepening our distribution reach and strengthening our institutional capabilities in a way that allows us to stay agile in a dynamic environment.

Raj Vikash Verma

Chairman and Non-Executive Independent Director

Dear Shareholders,

It is a great honour to address you for the first time as Chairman of Veritas. Stepping into this role at such a defining moment in the Company's journey is both a privilege and a responsibility, I deeply value.

I am pleased to share that this Annual Report 2024-25 marks a year of strong progress and the beginning of an important new chapter as we prepare to enter the public markets and expand the Company's footprint across India's underserved financial landscape. I take this opportunity to reflect on the values that define us, the opportunities that lie ahead and the collective commitment that will guide us forward.

What Drives Us

At Veritas, our Mission is to make a difference and create a positive impact in the lives of informal customers of MSMEs through sustainable financing solutions. Our Vision is to aspire to establish Veritas as a model Company, respected and most admired in the field of inclusive finance, recognised for fairness, responsibility and service quality. These principles have guided us since our inception in 2015, helping us serve communities often overlooked by traditional financial institutions. Over the past decade, we have built a wide distribution network across ten states and union territory, providing small loans, home loans and vehicle loans, among others.

FY 2025 has seen us reinforce these values by expanding our reach across rural and semi-urban India, tailoring products to meet local enterprise needs and building trust-based relationships at the grassroots level. We have successfully impacted the lives of around 2,11,000 people and are seeking to bridge the demand/supply gap even further. This alignment between our Mission and our execution will continue to be our greatest strength.

Performance and Progress

Despite global macroeconomic uncertainties, the Indian economy maintained its momentum, and so did we. As of March 31, 2025, our loan book stood at INR 7,349 crores, supported

by huge disbursements and a growing customer base of entrepreneurs, consciously promoted and served by us in view of their huge potential to serve the broader economy. We expanded our physical presence across over 10 states and 1 union territory, powered by a purpose and passion-driven, strong employee base that is committed to our mission.

Our profitability has remained robust, with Profit After Tax reaching INR 295 crores, while asset quality and compliance standards have only improved. This performance reflects the strategic and operational maturity Veritas has achieved over the past ten years.

Strategic Priorities and Growth Outlook

As we look ahead, we see the NBFC sector entering a phase of greater responsibility and sharper focus on the growth of the economy, with the NBFCs playing a definitive role in meeting the credit demands in the economy. With deeper credit penetration, stronger regulatory frameworks and more sophisticated risk and technology practices emerging across the industry, the opportunity for Veritas has never been more promising. The MSME financing space, in particular, stands at the cusp of huge growth and expansion as this market segment continues to be grossly underserved, and far from saturation, yet full of potential and promise. This dichotomous challenge is well recognised by Veritas, which the Company will seek to address through a clarity of purpose, strategic vision and consistency in execution.

As an organization, we remain deeply committed to fostering gender diversity and inclusivity – both within Veritas and across the communities we serve. We believe that empowering women and underrepresented groups is vital to driving sustained inclusive economic progress. While as at March 31, 2025, women borrowers hold around 14 % of our total loan portfolio, our 'Dhanasakthi' loan product launched exclusively for women in November 2023, stands as a fitting testament to this commitment. Since its roll-out, more than 2,000 deserving women entrepreneurs have been granted Working Capital facilities enabling them to gain financial independence and build resilient businesses. In parallel, we are also increasingly focused on embedding climate-conscious practices into our operations and lending approach. As we look ahead, green lending and environmentally responsible financing will be integral to our strategy as we align growth with sustainability and resilience.

At Veritas, we are building for the long term. Our strategic priorities are anchored in achieving the right balance between scale and control, growth and governance, and innovation and stability. We are focused on broadening our product portfolio, deepening our distribution reach, and strengthening our institutional capabilities in a way that allows us to stay agile in a dynamic and ever-evolving environment. We are also in the process of formalising our ESG roadmap, as we believe sustainability and stakeholder accountability will increasingly define the success of financial institutions in the years to come.

Together Towards Purpose

I wish to express my deep appreciation to all our stakeholders, our Board, investors, employees, customers and partners, for their trust and unswerving belief in our vision. As we step confidently towards becoming a listed Company, we remain resolute in our commitment to delivering value through financial inclusion and institutional integrity.

Together, let's keep building not just a profitable enterprise, but a purposeful one—an institution rooted in resilience, relevance, and ambition. One that does more than just chase market share, it serves the aspirations of real India.

With Regards,

Raj Vikash Verma

Chairman and Non-Executive Independent Director

Managing Director and CEO's Message



Our Loan book grew by 28.39% to INR 7,349 crores, driven by disbursements of INR 3,933 crores.

D. Arulmany

Managing Director and CEO

Dear Shareholders,

As I sit to write the letter for this year, I reflect on the journey of Veritas since inception. It has been exciting 10 years. Ten years of growth. Ten years of transformation. Ten years of impact. Ten years of making a difference. Ten years filled with purpose and passion.

In 2015, Veritas was merely an idea. An idea to make a positive impact in million households in Rural India. An idea that has found acceptance with marquee investors. An idea that has already impacted over 200000 customers. An idea that is now shared by over 7700 employees.

Guided by our eminent board, supported by marquee investors and lenders, Veritas over the last ten years has meticulously and methodically given shape to the vision and reached out to more than 438 branches across ten states. Today, Veritas serves the financial needs of diversified segments. With products like rural business loans, affordable housing loans, used commercial vehicle loans and working capital loans, we cover a wide range of rural India's financial needs.

While our Annual Report may reflect our growth in numbers, it may not fully capture the obstacles and headwinds we faced along the way. It is our prudence, perseverance, concern for our customers, and care for our employees that helped us overcome all the adversities and uncertainties. We chose to place faith over fear, conviction over scepticism. Thus, in the face of adversity, we have remained resilient, constantly adapting to the ever-changing environment while continuing to pursue our journey unfased.

During this decade, India's economy also remained resilient with steady GDP growth, despite the impact of various macro events like demonetization, GST implementation, Liquidity crisis, COVID black swan crisis etc. Not only it remained resilient, the Government's thrust on building a robust digital infrastructure has fast tracked the financial inclusion initiatives. This landscape offers NBFCs like ours, particularly those serving micro and small enterprises, a unique opportunity to bridge credit gaps faster and foster grassroots entrepreneurship.

Operational and Financial Highlights

After witnessing reasonably strong and vibrant growth post COVID, the macro environment remained subdued during the last year. The year which started with elections and geopolitical disruptions continued to be suppressed right through. While we did see some signs of stability in the last quarter, we are yet to see definitive signals of the strong revival of the economy.

Despite a difficult environment, I am happy to convey that your Company has delivered a strong and broad-based performance across key operational and financial indicators. Our Loan book grew by 28.39% to INR 7,349 crores, driven

by disbursements of INR 3,933 crores, a 6.23% increase from the previous year. We reported a Profit After Tax (PAT) of INR 295 crores, up from INR 245 crores in FY 2023-24, reflecting both scale and efficiency gains. Our customer base expanded to 2.11 lakhs, a significant increase from 1.76 lakhs last year, highlighting our growing relevance among microenterprise borrowers.

While our secured business loan and affordable housing loan segment continued to show resilient portfolio behaviour, we witnessed stress in certain urban pockets of short-term working capital loans. Some cash starved urban shopkeepers fell prey to the easy availability of digital loans at significantly higher rate of interest and found it difficult to service the loans and overcome the stress. This had an impact on our repayments as well. Following this, we have made certain major changes to the product offering and are confident that we will see a significant turnaround in this segment in the coming months.

I am also delighted to report that used commercial vehicle loans completed one full year of operations and continued to grow at a steady pace and crossed Loan book of INR 300 crores at the end of March 25. We see a huge opportunity in this segment and the experience of the team, and the distribution reach we have established will help us build a strong portfolio in coming months.

Technology and Operational Excellence

In FY 2024-25, we further advanced our digital transformation to enhance operational efficiency, customer experience and risk management. Our zero-data-entry onboarding model, powered by OCR tools and multilingual mobile apps, enables fully paperless loan origination, e-KYC, underwriting and disbursement. We achieved 100% digital disbursement, with over 89% of secured loan collections processed via UPI, e-NACH or dynamic QR codes, improving turnaround times and service quality.

Additionally, we equipped our teams with real-time dashboards to monitor key performance metrics such as collection efficiency and loan rejection rates.

Our enhanced cloud infrastructure, cybersecurity and disaster recovery systems ensure operational resilience. With ISO 27001:2022 certification and regular audits, we are well-positioned to scale new products like vehicle finance with greater speed and control.

Strategic Roadmap and Vision 2028

As we complete our 10th year and enter the 11th, we also realise that we are very close to reaching a significant milestone of INR 10,000 crores Loan book. All our products are on a strong growth trajectory, and we are committed to building a robust and diversified Company, admired for its values, resilience and contribution to India's economy.

Our growth strategy remains anchored in five strategic pillars: expanding in underpenetrated markets with controlled geographic focus; diversifying our portfolio through scalable offerings like affordable Housing Loans and used commercial vehicle loans; investing in people through a value-driven culture; embedding technology and data-led processes across origination and collections to boost productivity; and forging strong partnerships to optimize our funding mix. These priorities reflect our commitment to responsible growth while staying true to our core purpose.

Corporate Social Responsibility and ESG Commitment

At Veritas, we view social responsibility as integral to our purpose of inclusive growth. In FY 2024-25, we introduced "Swastha" master health check-up camps, conducted financial literacy sessions for rural borrowers, and undertook employee-led wellness programs like the Walkathon Challenge and Veritas Premier League (VPL). Through Veritas Foundation, we also supported infrastructure development by building and maintaining smart public toilets at the Tiruchirappalli bus terminal. Our education efforts included renovation of Government High School at Ladapuram, and providing scholarships to 42 deserving female students from underprivileged backgrounds, across Tamil Nadu, empowering them to pursue higher education in fields of their choice.

Looking ahead, ESG will remain pivotal to our strategy. Our ESG journey will evolve through collaboration, learning, and continuous improvement. We are in the process of initiating a formal ESG materiality assessment to identify and embed sustainability priorities into our strategy. In the months ahead, we will define clear ESG goals, engage with stakeholders, and build internal capacity to measure and report our progress effectively. This dual focus, on measurable social impact and long-term environmental stewardship, underscores our commitment to building a responsible and resilient financial institution.

I am grateful to our employees, Board, investors, customers, lenders, and regulatory partners. Your unwavering support fuels our resolve to grow with integrity and impact. As we prepare to enter the public markets, we do so with a clear mission to empower the real Bharat and to build a financial institution that stands for trust, inclusion, and long-term value creation.

With Regards,

D. Arulmany
Managing Director and CEO



Board & Investors

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

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

Board of Directors

Leading with experience and expertise



Raj Vikash Verma
Chairman and Non-Executive Independent Director

Mr. Raj Vikash Verma is the Chairman and Non-Executive Independent Director of our Company. He holds a bachelor's degree in Economics (Honours) from Hindu College, University of Delhi, Delhi and a master's degree in Economics from The Delhi School of Economics, University of Delhi, Delhi. He also holds a master's degree in business administration from University of Delhi, Delhi. He is also a member of the Indian Institute of Banking and Finance. He has over 34 years of experience in banking. Prior to joining our Company, he served as the whole time member and the officiating Chairperson of the Pension Fund Regulatory and Development Authority and as the Chairman and Managing Director of the National Housing Bank. He was also associated with Central Registry of Securitisation Asset Reconstruction and Security Interest of India as Registrar, Managing Director and Chief Executive Officer.



D. Arulmany
Managing Director and CEO

Mr. D. Arulmany is the Managing Director and Chief Executive Officer of our Company. He holds a bachelor's degree in business administration from Madurai Kamaraj University, Madurai, Tamil Nadu and a post graduate diploma in rural management (PGDRM) from Institute of Rural Management, Anand. He has also completed a global programme for management development from University of Michigan Business School, Michigan. He has over 25 years of experience in the financial services industry. Previously, he was associated with Aptus Value Housing Finance India Limited as President and CEO and with Cholamandalam Investment and Finance Company Limited as Business Head.



Suresh Subramanian
Non-Executive Independent Director

Mr. Suresh Subramanian is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in commerce (Honours) from University of Delhi, Delhi. He is also a fellow member of the Institute of Chartered Accountants of India. He has experience in auditing and accounting. Prior to joining our Company, he was associated with S. R. Batliboi and Associates LLP as a Partner with their assurance practice.



Mathew Joseph
Non-Executive Independent Director

Mr Mathew Joseph is a Non-Executive Independent Director of our Company. He is a member of the Institute of Chartered Accountants of India. He has over 36 years of experience in the financial industry. Prior to joining our Company, he was associated with HDFC Bank Limited as the member of Executive Management and Chief Risk Officer.



Dr. Susan Thomas
Non-Executive Independent Director

Dr. Susan Thomas is a Non-Executive Independent Director of our Company. She holds a bachelor's degree in Arts from The Women's Christian College, University of Madras, Chennai and a master's degree in Arts from University of Madras, Chennai. She also holds a doctor of philosophy from Indian Institute of Technology, Madras, Chennai. She has over 18 years experience in Human Resources. Prior to joining our Company, she was associated with Loyola Institute of Business Administration as Associate Professor (Human Resource), with Murugappa group as the Head – Group Human Resource Department and with Sundram Fasteners Limited as Executive Vice-president – Human Resource.



Sankarson Banerjee
Non-Executive Independent Director

Mr. Sankarson Banerjee is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in engineering from Indian Institute of Kharagpur, West Bengal and a post-graduate diploma in management from Indian Institute of Management, Calcutta, West Bengal. He has over 20 years of experience in IT sector. Prior to joining our Company, he was associated with RBL Bank in the capacity of Chief Information Officer, with National Stock Exchange of India Limited in the capacity of Chief Technology Officer - Projects and with India Infoline Limited as Chief Information Officer. He was also associated with Mphasis, Accenture, IBM and Pantaloon Retail (India) Limited. He is currently serving on the Board of Zerodha Trustee Private Limited as an independent Director. He is also on the Board of Nuvama Wealth Limited and Epimoney Private Limited.



Priyamvada Ramkumar
Non-Executive Nominee Director, Lok Capital Growth Fund

Ms. Priyamvada Ramkumar is a Non-Executive Nominee Director of our Company. She holds a bachelor's degree in commerce from Stella Maris College, Chennai, Tamil Nadu and a postgraduate diploma in business management from XLRI School of Management, Jamshedpur, Jharkhand. She has over 18 years of experience in investment and commercial banking. Previously, she has been associated with Veda Corporate Advisors Private Limited as Vice-president and ABN Amro Bank N.V., as Assistant Relationship Manager (Commercial Banking).



Parin Nalin Mehta
Non-Executive Nominee Director, Kedaara Capital Fund II LLP

Mr. Parin Nalin Mehta is a Non-Executive Nominee Director of our Company. He holds a bachelor's degree in electronics and telecommunication engineering from Vivekanand Education Society's Institute of Technology, University of Mumbai, Mumbai, Maharashtra and a post graduate diploma in business management (finance) from Sydenham Institute of Management Studies and Research and Entrepreneurship Education, Mumbai, Maharashtra. He has over 19 years of experience in private equity. Prior to joining our Company, he was associated with General Atlantic Partners Private Limited as Analyst with their investment advisory team. He was also associated with McKinsey Knowledge Centre (I) Private Limited and Cap Gemini Ernest and Young Consulting India Private Limited. He is currently serving on the Board of Great Software Laboratory Private Limited and Gavs Technologies Private Limited.



Sudhir Narayanankutty Variyar
Non-executive Nominee Director, Multiples Private Equity Fund III

Mr. Sudhir Narayanankutty Variyar is a Non-Executive Nominee Director of our Company. He holds a bachelor's degree in chemical engineering from Banaras Hindu University, Uttar Pradesh and a post graduate diploma (PGDM) form Indian Institute of Management, Calcutta, West Bengal. He is currently serving as Managing Director and Deputy CEO of Multiples Alternate Asset Management Limited since 2009. Prior to Multiples, he has had over 15 years of experience in investment banking, structured finance, corporate finance and credit rating.

Executive Committee

Paving the path for continued progress





D Arulmany

Founder, Managing Director and Chief Executive Officer

Mr. D. Arulmany is the Managing Director and Chief Executive Officer of our Company. He holds a bachelor's degree in business administration from Madurai Kamaraj University, Madurai, Tamil Nadu and a post graduate diploma in rural management (PGDRM) from Institute of Rural Management, Anand. He has also completed a global programme for management development from University of Michigan Business School, Michigan. He has over 25 years of experience in the financial services industry. Previously, he was associated with Aptus Value Housing Finance India Limited as President and CEO and with Cholamandalam Investment and Finance Company Limited as Business Head.



J Prakash Rayen

Executive Director - Chief People Officer

Mr. Prakash Rayen is the Executive Director & CPO of our Company. He holds a bachelor's degree in science (Physics) from Madurai Kamaraj University and a master's degree in computer application from Bharathidasan University, Tiruchirappalli. Prior to joining our Company, he was associated with Aptus Value Housing Finance India Limited as Chief Technology Officer.



Naveen Raj R
Chief Financial Officer

Mr. Naveen Raj R is the Chief Financial Officer of our Company. He is a highly accomplished finance professional with over 20 years of extensive experience in the financial services industry. His career includes notable tenures at some of the most prestigious firms, such as Deloitte, BSR & Co. LLP (KPMG – Audit Wing), and Five-Star Business Finance. He has proficiency spanning across diverse range of financial disciplines, including managing complex capital market transactions, analysing and mitigating organizational risks. He is a Fellow Member of the Institute of Chartered Accountants of India (FCA) and holds a bachelor of commerce degree from the University of Madras.



Kannan K
Executive Vice President &
Business Head - MSME Rural

Mr. K. Kannan is the Senior Executive Vice President & Business Head - MSME Rural of our Company. He holds a bachelor's degree in veterinary sciences from Tamil Nadu Veterinary and Animal Sciences University and a post graduate diploma in agri-business management from Indian Institutes of Management, Ahmedabad. Prior to joining our Company, he has been associated with Axis bank as Assistant Vice President in Agri & Rural Banking Department and with Yes Bank Limited as Vice President. He has also been associated with Cholamandalam Investment and Finance Company Limited as Associate Vice-President & Head – Agri & Rural Finance.



Sankar Annamalai
Executive Vice President &
Business Head - Home Loans

Mr. Sankar Annamalai is the Executive Vice President & Business Head - HL of our Company. He holds a bachelor's degree in mechanical engineering from College of Engineering, Anna University and a post graduate diploma in management for executives from Indian Institute of Management. Prior to joining our Company, he has been associated with Tata Consultancy Services and Infosys Technologies Limited. He has also been associated with Cholamandalam Investment and Finance Company Limited as Senior Associate Vice President & National Business Manager for their SME vertical.

Core Strategy Group

Scaling Ambition with Strategic Foresight



Mr. Sekhar Vikas
Executive Vice-president and Business Head - MSME Urban



Mr. R Sathish
Senior Vice-president - Business Head - Vehicle Finance



Mr. Vijay Subramanian R
Executive Vice-president - Chief Risk Officer (CRO)



Ms. Kanchana Srikanth
Executive Vice-president and Chief Compliance Officer (CCO)



Mr. Christopher Robin
EVP and Chief Audit Officer



Mr. S Parthiban
Executive Vice-president - Chief Technology Officer



Mr. M Mahesh
Senior Vice-president - Treasury



Mr. T E Sudharsan
Senior Vice-president - Operations



Mr. Sarath Chandran Damodaran
Senior Vice-president - Chief Technical Officer



Mr. Kumareshan Sivam
Senior Vice-president – HR



Mr. Subramoni Bhagavathy
Vice-president – Credit



Mr. Shankar Subramanian
Vice-president – Analytics



Mr. L. Sridhar
Vice-president – Corporate Social Responsibility



Ms. S.V. Laxmi
Deputy Vice-president – Finance



Ms. V. Aruna
Company Secretary and Compliance Officer

Board's Report

Dear Shareholders,

Your Directors have immense pleasure in presenting the tenth annual report of your Company together with the audited financial statements for the financial year ended March 31, 2025, which is the ninth full year of operations of the Company.

Financial Results:

The highlights of the Financial Statements of the Company for the financial years 2024-25 and 2023-24 are as under:

Amount in INR Crores

Particulars	2024-25	2023-24
Income from Operations	1,557.40	1,123.80
Less: Employee cost	407.11	291.61
Finance Cost	483.09	315.62
Other Operating Cost	249.98	170.05
Profit before Depreciation & Tax	417.22	346.52
Less: Depreciation	28.89	23.56
Profit Before Tax	388.32	322.96
Less: Tax Expenses	93.21	77.91
Profit After Tax	295.11	245.05
Other comprehensive income for the year	-2.92	0.44
Total comprehensive income for the year	292.19	245.49
Add: Brought forward Profit	482.17	285.69
Less: Transfer to Statutory Reserve under Section 45-IC of the RBI Act, 1934	59.02	49.01
Add: Transfer on account of lapse of ESOP options	0.43	-
Balance Carried Forward	715.77	482.17

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

During the year under review, the Company has successfully grown its Loan book from INR 5,723.79 Crores to INR 7,348.64 Crores, the Net Worth increased from INR 2,329.55 Crores to INR 2,783.17 Crores, the Interest Income increased from INR 1,057.06 Crores to INR 1,474.46 Crores and the Customer Base increased from 176,341 customers to 2,11,389 customers.

State of Company's Affairs:

During FY 2024-25, the Net Profit before tax (PBT) of the Company was at INR 388.32 Crores as against INR 322.96 Crores in the FY 2023-24 and the Net Profit after tax was INR 295.11 Crores as against INR 245.05 Crores in the FY 2023-24.

Share Capital:

As on March 31, 2025, the authorised share capital of the Company was INR 202 Crores consisting of equity share capital.

During the FY 2024-25, the following changes took place in the share capital of the Company:

- In May 2024, July 2024, January 2025 and March 2025 the Company has raised INR 0.76 Crores (INR 0.05 crores of share capital and INR 0.71 Crores of share premium) upon exercise of stock options by our employees under the Company's various employees stock option schemes.
- In July 2024, the Company converted the Partly Paid Equity Shares into Fully Paid Equity Shares totalling to 42,13,262 equity shares with face value of INR 10/- each.
- In August 2024, 8,00,000 partly paid equity shares with face value of INR 10/- each, wherein INR 1/- was paid-up per share, were forfeited. As of March 31, 2025, the said shares remain forfeited.

Accordingly, your Company has one class of paid-up equity share capital which stood at INR 131.28 Crores as on March 31, 2025.

The equity shares issued and allotted as mentioned above were without differential rights.

Dividend:

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

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

Transfer to Reserves:

As required by Reserve Bank of India, the Company has made a transfer of INR 59.02 Crores to statutory reserves constituting 20% of the profits made during the year under review.

Deposits:

The Company is registered as a Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-ND-SI), and no deposit was accepted from the public for the year ended March 31, 2025.

Capital Adequacy Ratio:

The Company had a Capital to Risk Adjusted Assets ratio of 37.82% against the statutory requirement of 15% due to higher capital base and lower leverage.

Operational Highlights:

Some of the highlights for the year ended March 31, 2025, are:

1) The Company disbursed INR 3,933.12 Crores during the period resulting in the Loan book of INR 7,348.64 Crores.

2) During the year ended March 31, 2025, 9 branches were opened and accordingly, the Branch Network has increased to 391 branches across ten states of Tamil Nadu, West Bengal, Karnataka, Odisha, Madhya Pradesh, Telangana, Andhra Pradesh, Jharkhand, Chhattisgarh, Bihar and union territory of Puducherry.

3) Veritas Service Centres (VSCs) -- 29 VSCs were opened during the year ended March 31, 2025, and accordingly the total VSCs has been increased to 70 for the year ended March 31, 2025. Veritas Service Centres are opened as an extension of the branches for servicing the customers.

Future Outlook:

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

Credit Rating

During the period under review, the Company got a rating outlook change to "CARE A+" with positive outlook (CARE Single A Plus) for the Long Term Bank loans and Non-Convertible Debentures.

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

Issue of Listed Debt Securities:

Your Company has issued Series 17, Series 18 and Series 19 Secured, Rated, Listed, Fully Paid, Redeemable, Taxable, Non-Convertible Debentures aggregating to INR 300.00 Crores during the financial year under review. These debt securities are listed with BSE Limited and National Stock Exchange of India Limited.

Further, your Company has been very prompt in payment of its interest and principal obligations for the financial year ended March 31, 2025, and has complied with all the disclosure requirements stipulated under SEBI (LODR) Regulations, 2015.

Securitization/Assignment of Loan Portfolio:

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

During the financial year under review, the Company has securitised receivables of INR 791.19 Crores. These Securitisation transactions were carried out in line with RBI guidelines on Securitization of Standard Assets and accounted in line with Indian Accounting Standards.

Direct Assignment:

During the year, the Company has transferred receivables for a sale consideration from Investors of INR 72.08 Crores. These Direct assignment transactions were carried out in line with RBI guidelines on Transfer of Loan Exposures and accounted in line with Indian Accounting Standards.

Issuance of Commercial Papers:

As part of diversification process, during the period under review, your Company issued unlisted Commercial Papers amounting to INR 80.00 crores and the same was duly redeemed during the financial year itself.

RBI Guidelines:

The Company is a Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-ND-SI). The Company has complied with and continues to comply with all the applicable regulations and directions of the RBI.

The RBI has also announced various guidance measures to strengthen the regulatory framework in the NBFC sector, including the Scale Based Regulations. The Company strongly believes that this would make the sector more robust and resilient.

Pursuant to the extant Scale-Based Regulations, your Company falls under the 'NBFC- ML (Non-banking financial company – Middle Layer)' category.

The Company ensures compliance with the extant RBI guidelines including the Scale Based Regulations and has initiated appropriate steps to comply with these regulations as they become applicable.

Other Statutory Compliances:

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

Board of Directors:

During the year ended March 31, 2025:

- Mr. Abhijit Sen (DIN: 00002593), Mr. M. Sivaraman (DIN: 02045100) and Mr. N. Mohanraj Nair (DIN: 00181969) ceased to be the Independent Directors with effect from May 21, 2024, on completion of their second and final tenure as Independent Directors of the Board.
- Mr. Raj Vikash Verma (DIN: 03546341) was appointed as an Additional Director (Independent Director) and Non- Executive Chairman of the Board with effect from July 16, 2024.

- Ms. Susan Thomas (DIN:09760548) was appointed as an Additional Director (Independent Director) with effect from July 16, 2024.
- Mr. Raj Vikash Verma (DIN: 03546341) and Ms. Susan Thomas (DIN:09760548) were later regularized as Non-Executive Directors (Independent Directors) in the Extra-Ordinary General Meeting of the Company held on September 30, 2024

There was no other change in the composition of the Board of Directors.

Key Management Personnel:

Pursuant to the provisions of section 203 of the Companies Act, 2013, read with the rules made there under, the following employees are the whole-time key managerial personnel of the Company as on March 31, 2025:

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

Mr. V.G. Suchindran, Chief Financial Officer ('CFO') and Key Management Personnel ('KMP'), resigned from the Company with effect from September 13, 2024, and Ms. S. V. Laxmi, was appointed as the Interim CFO and KMP with effect from September 16, 2024.

Subsequently, Mr. Naveen Raj R was appointed as the Chief Financial Officer and Key Management Personnel of the Company effective March 03, 2025.

In the light of the appointment of new CFO, Ms. S. V. Laxmi, was relieved from the position of Interim CFO and KMP with effect from March 02, 2025. She continues as the Vice President – Finance in the Company.

Other Officers:

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

1. Ms. D. Kanchana Srikanth – Chief Compliance Officer effective October 01, 2023
2. Mr. R. Vijay Subramanian – Chief Risk Officer effective October 01, 2023
3. Mr. W. Christopher Robin – Head of Internal Audit effective January 02, 2024

Statutory Auditors:

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

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

On the recommendation of the Audit Committee in their meeting held on April 25, 2024, the Board of Directors of the Company in their meeting held on April 25, 2024, recommended and the approval of the Members was accorded for the appointment of M/s. S.R. Batliboi and Associates LLP, Chartered Accountants (ICAI Firm Registration No.101049W/E300004) as Statutory Auditors of the Company from the date of conclusion of ninth AGM of the Company till the date of conclusion of the twelfth AGM of the Company to be held in the year 2027 as required under extant RBI regulations as applicable from time to time.

Statutory Auditors' Report:

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

Fraud reported by Auditors

There were no instances of frauds reported by the auditors during the financial year ended 31 March 2025 under Section 143(12) of the Companies Act, 2013

Audit trail and backup

Pursuant to Sections 128 and 143(3)(j) of the Companies Act, 2013 rule 3(1) of Companies (Accounts) Rules, 2014 and rule 11(g) of Companies (Audit and Auditors) Rules, 2011, the auditor of a Company requires to report whether the accounting software used by the Company to maintain books of account has an audit trail feature. The auditors report shall report on 4 aspects:

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

The Company had used accounting software (Oracle E-Business Suite) for maintaining its books of account during the year for general ledger accounting. The audit trail (edit log) facility was not enabled throughout the year for all relevant transaction recorded in the software. However, this software comes with lots of inbuilt controls to ensure that the transactions made reflect the financial position accurately. Also, these applications are used by many players for their General Ledger requirements, both in the financial services industry and outside.

Further, with effect from 01 April 2025, the Company has implemented Oracle Fusion which is managed by a third-party software service provider. The database for this application is managed by Oracle and making direct changes at the database level is not possible.

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

In respect of the loan management system and asset register software, while the feature of recording audit trail (edit logs) facility was enabled and operated throughout the year for all relevant transactions, the audit trail feature was not enabled for direct changes to data when using certain access rights (i.e at database level). The Company does not have any direct access to the database for making any direct edits. Further there was no instance of audit trail feature being tampered during the year, in respect of systems and software(s) where the audit trail has been enabled. The Company shall take steps to have adequate documentation and enable appropriate controls built into the loan management system so as to make it fully compliant from an audit trail perspective.

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

Data backup:

The Company is maintaining its books of accounts in electronic mode and these books of accounts are accessible at all time and the back-up of books of accounts has been kept in servers physically located in India on a daily basis except that the back-up of (i) one of the Loan Management System from 01 April 2024 to 04 April 2024 and (ii) one of the assets register software(s) from 02 April 2024 to 29 April 2024 was not maintained in electronic mode on servers physically located in India during the said period.

The Company assures to take all necessary steps to ensure that all the software used would meet the requirements of the audit back-up and audit trail guidelines from the forthcoming financial year.

Secretarial Auditors and their Report:

Pursuant to the provisions of Section 204(1) of the Companies Act 2013 read along with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules 2020 and other applicable provisions, if any, of the Companies Act 2013, M/s. M Damodaran & Associates LLP, were appointed as the Secretarial Auditors of the Company for the financial year 2024 - 25.

The Secretarial Audit Report for the FY 2024-25 forms part of the Annual Report as 'Annexure-IV'. The Report of Secretarial Auditors is self-explanatory.

Subsidiary / Joint Ventures / Associate Companies:

As on March 31, 2025, the Company does not have any subsidiaries, joint ventures, or associate companies.

Material changes and commitments:

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

ISO Certifications:

Your Company has the following ISO certifications:

- ISO/IEC 27001:2022 – Certified for the scope of work in the departments of IS, IT, Admin, HR, and Compliance
- ISO 9001: 2015 – for HR Support activities spanning recruitment till employee exit inclusive of employee engagement, training & development, Payroll, Performance management, benefits and compliance.
- ISO 30408:2016– Human Resource Management Guidelines on Human Governance
- ISO 18404 for the Operation & CRM Department

Corporate Governance Report:

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

Business Responsibility and Sustainability Reporting

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

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

Committees:

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

Internal Financial Controls:

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

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

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

Annual Return as per the Companies Act 2013:

As per Section 134 (3) (a) of the Companies Act, 2013, annual return as referred to in Section 92(3) of the act, for the year

2024 – 25 will be uploaded on the website of the Company : https://www.veritasfin.in/annualreturn.php

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

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

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

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

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

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

The Company has no activity relating to conservation of energy and technology absorption and the requirement of disclosure of particulars relating to conservation of energy and technology absorption in terms of Rule 8 of the Companies (Accounts) Rules, 2014, does not arise. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. During the FY 2024-25, the Company has Forex outgo of INR 331.20 Lakhs. However, there was no foreign earnings.

Particulars	INR in Lakhs
Foreign Exchange outgo	331.20
Foreign Earning	NIL

Risk Management:

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

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

Risk Management, Audit, Compliance function:

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

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

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

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

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

Corporate Social Responsibility (CSR):

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

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

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

The Annual Report on CSR activities for the financial year ended March 31, 2025, is attached as 'Annexure V' to this Report.

Particulars of Employees:

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

Formal Annual Performance Evaluation:

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

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

Policy on Appointment, Evaluation, and Remuneration:

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

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

Board Meetings Held During the Period:

During the period, twelve meetings of the Board of Directors was held on April 25, 2024, July 16, 2024, August 13, 2024, September 06, 2024, October 29, 2024, November 13, 2024, December 19, 2024, January 09, 2025, January 17, 2025, February 05, 2025, March 03, 2025, and March 21, 2025.

Directors Responsibility Statement:

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

a. that in preparation of the annual financial statements for the year ended March 31, 2025, the Indian Accounting Standards (Ind-AS) and other applicable accounting standards have been followed along with proper explanations to material departures, if any.
b. that the Directors have selected appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for year ended March 31, 2025.
c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
d. that the Directors have prepared annual accounts on a going concern basis.
e. that the Directors have established internal financial control systems for the prevention and detection of frauds and errors. The framework is reviewed periodically by Management and tested by an independent firm conducting internal audits. Based on the periodical testing, the framework is strengthened from time to time, to ensure adequacy and effectiveness of internal financial controls.
f. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Role of Independent Directors:

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

Declaration given by Independent Directors:

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

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

Registration of Independent Directors with Independent Director's Databank

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

All the Independent Directors, Mr. Raj Vikash Verma, Mr. Mathew Joseph, Mr. Suresh Subramanian, Mr. Sankarson Banerjee and Ms.

Susan Thomas have registered themselves with the Independent Director's Databank and the details are as given below:

Name of the Independent Director	Registration Number	Validity of Registration
Mr. Raj Vikash Verma	IDDB-DI-201912-003438	Lifetime
Mr. Mathew Joseph	IDDB-DI-202002-017395	February 26, 2030
Mr. Suresh Subramanian	IDDB-DI-202008-030314	Lifetime
Mr. Sankarson Banerjee	IDDB-DI-202211-045172	November 15, 2027
Ms. Susan Thomas	IDDB-DI-202407-061416	July 03, 2030

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

Familiarisation Programme:

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

All new Independent Directors are taken through a detailed induction and familiarisation programme, that covers the history, background, cultures, values, organizational structures, board procedures and overview of the business operations of the Company. The Company has also provided directors with a reference manual which, inter alia, covers the roles, functions, powers and duties of the directors, disclosures and declarations to be submitted by directors and various codes and policies of the Company.

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

The details of familiarisation Programme imparted to the Independent Directors and the policy of the Company are available on the Company's website at https://www.veritasfin.in/Familiarisation_Programme_for_Independent_Directors.php.

Separate Independent Directors Meeting:

The Independent Directors convened a separate meeting without the presence of Non-Independent Directors and members of the management to discuss all such issues as they may consider relevant. During the year under review, the meeting of Independent Directors was held on February 04, 2025.

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

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

Pursuant to Regulation 17(5) of SEBI Listing Regulations, 2015, the Company has adopted the Code of Conduct applicable to the Board of Directors and the Senior Management Personnel (Code). The Code provides guidance to the Board of Directors and Senior Management Personnel to conduct their business affairs ethically and in full compliance with applicable laws, rules and regulations. In accordance with Schedule V (D) of the SEBI Listing Regulations, 2015, the Company has also received a declaration from the Directors, the Key Management Personnel, and the Senior Management Personnel of the Company that they have complied to the Code of Conduct for the financial year ended March 2025.

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

Retirement by Rotation

Ms. Priyamvada Ramkumar, Nominee Director retires by rotation and being eligible, offers herself for re-appointment at the ensuing 10th Annual General Meeting of the Company.

Vigil Mechanism / Whistle Blower Policy:

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

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

Policy on Prevention of Sexual Harassment:

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

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

Number of cases filed during the financial year: Nil

Number of cases disposed during the financial year: Nil

Numbers of cases pending as on March 31, 2025: Nil

Disclosure of Orders passed by Regulators or Courts or Tribunal:

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

Penalties:

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

The instances of penalties and fines imposed on the Company by other statutory authorities are detailed in the Corporate Governance Report.

Employee Stock Option Scheme:

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

Details of issue of Sweat Equity Shares

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

Maintenance of Cost Records

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

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

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

Human Resource Development Attracting and Retaining Top Performers

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

As of March 31, 2025, your Company had 7796 employees across branches, regional offices, and the head office.

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

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

Employees Relationship:

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

Secretarial Standards

During the FY 2024-25, the Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

General

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

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

Acknowledgement

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

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

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

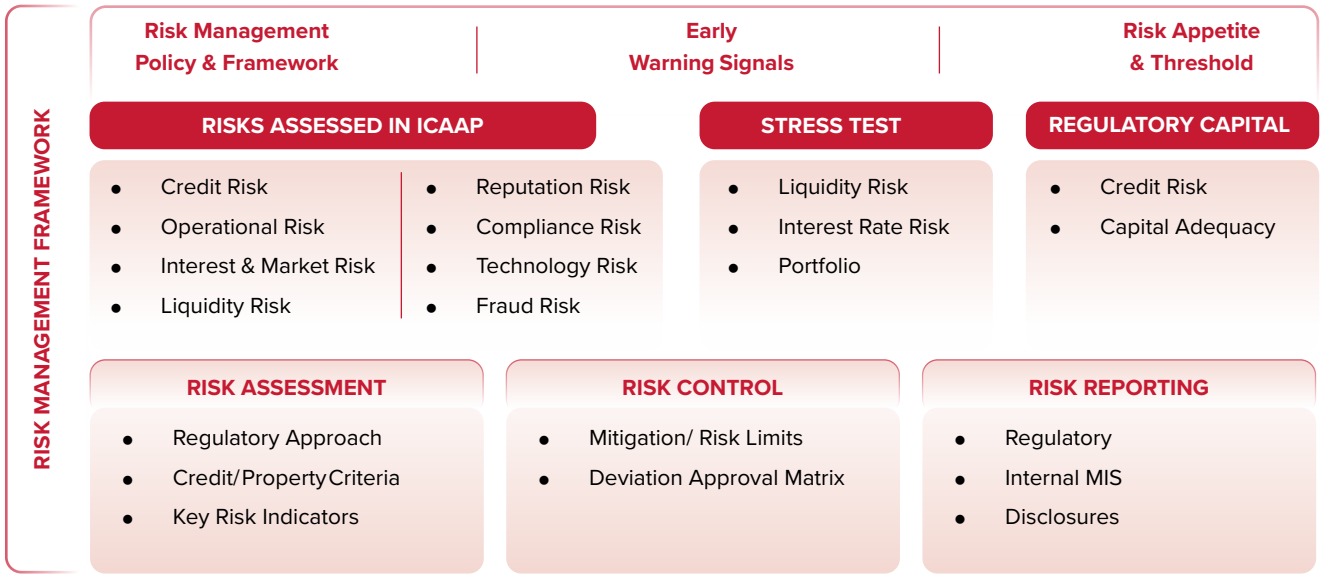
-sd-
D. Arulmany
Managing Director & CEO
DIN: 00009981
Place: Chennai

Date: April 30, 2025

OUR ERM FRAMEWORK

At Veritas Finance, we have institutionalised an Enterprise Risk Management (ERM) Policy, which serves as a comprehensive, umbrella policy outlining the principles, structure, and processes for risk management across the organization.

The policy provides a unified approach in identifying, assessing, and mitigating risks, thereby fostering a risk-aware culture throughout the organisation. The active involvement of the Senior Management team in the implementation of the ERM framework ensures that risk management practices are effectively embedded across all business functions.



Risk Management Structure & Board Governance

Our Risk Management Committee (RMC) plays a pivotal role in the Company's risk oversight framework, functioning in alignment with the RBI's Scale Based Regulations. The Committee meets once in every quarter during the year, adhering to a clearly articulated mandate as detailed in the Corporate Governance Report.

Our Board remains firmly committed to fostering a resilient and comprehensive risk management structure—one that proactively identifies and mitigates both systemic and Company-specific risks. As part of this commitment, we have implemented the Internal Capital Adequacy Assessment Process (ICAAP), Enterprise Risk Management Framework & Operational Risk Management (ORM). This methodology facilitates the identification and evaluation of key risks, integration of a stress-testing framework, and the determination of capital adequacy requirements.

This ongoing process not only ensures a sound capital position but also supports the dynamic alignment of our business strategy with evolving risk parameters.

Foresight and Governance of Emerging Risks:

At Veritas, we have a robust Early Warning System (EWS) framework designed to proactively detect patterns and anomalies in customer behaviour at an early stage. This enables us to take timely and preventive actions, thereby supporting effective credit risk management and helping maintain the overall quality and health of our lending portfolio in the form Collection Scorecard using ML Algorithms.

Key Risk Indicators & Risk Appetite Statement:

We have instituted a clearly articulated Risk Appetite Statement (RAS), which defines the level and type of risk the Company is willing to accept in pursuit of its strategic objectives. In tandem, we have implemented a robust Key Risk Indicators (KRI) framework that enables ongoing monitoring of risk exposures. Timely and appropriate management action plans are initiated to address any breaches of the prescribed thresholds, thereby maintaining alignment with our defined risk appetite and ensuring the resilience of our operations.

Risk Types	Impact	Mitigation measures
Credit Risk 	We are exposed to credit default risks from borrowers and counterparties which can affect loan recovery and obligation fulfilment	The Company effectively manages risks through in-house sourcing, a comprehensive credit decisioning process supported by scorecards, and a robust portfolio monitoring and collections framework. To ensure proactive management of credit quality and concentration risks, portfolio analysis and reporting are regularly conducted. Credit risk monitoring occurs at two distinct levels: account-level and portfolio-level.
Liquidity Risk & Interest Rate Risk 	As a retail-focused lender, our business is significantly impacted by the availability and cost of capital. Several micro and macroeconomic factors—such as inflation, economic growth, central bank policies, government regulations, and global events—can drive up lending rates which in turn, may affect the Company's overall profit margins	To manage liquidity risk, we have a comprehensive Asset Liability Management Policy that identifies short-term liquidity gaps and outlines corrective actions. Our diversified lender portfolio includes public and private banks, NBFCs, and mutual funds. Our Company measures liquidity buffers along with monthly reporting of critical ratios and threshold levels to ensure adequate liquidity planning.
Compliance & Regulatory Risk 	Changes in regulatory framework and compliance requirements can significantly impact our business operations, reputation, and financial performance	Our Compliance team works diligently to proactively identify and mitigate risks by continuously monitoring regulatory changes and adhering to elevated governance standards. We have implemented a risk-based Compliance Framework along with a comprehensive Compliance Management tool to support these efforts
Operational Risk 	Disruptions to operations can arise from gaps in internal processes, technology failures, cyber security breaches, employee fraud, and other similar issues	We have implemented a risk-based internal audit framework that thoroughly addresses any operational risks that may emerge during our processes. To manage operational risks effectively, the Company prioritizes the following core procedures: • Development of manuals and standard operating procedures, along with appropriate training for staff • Conducting internal audits of branches, with frequency and scope determined based on key risk factors. • Structured process for investigating fraud and taking action against employees involved in such activities. • Monitoring Key Risk Indicators, Risk Appetite Statement as per Operational Risk Management Guidelines • Third party risk monitoring is designed to assess, monitor and manage risks throughout the lifecycle of third-party engagements from vendor selection to contract termination

Risk Types	Impact	Mitigation measures
IT Risk, Cyber Security Risk 	This risk arises from potential inadequacies or failures in technical infrastructure and IT systems, which could adversely impact data availability, integrity, accessibility, and security. Cybersecurity Risk refers to the threat of cyberattacks—such as hacking, phishing, ransomware, or other malicious activities—targeting Veritas's systems. Such incidents may disrupt operations, compromise sensitive internal data, or lead to unauthorized exposure of customer information	The Company has detailed IT policies in line with regulatory guidelines. We have a robust access-control and log tracking for server security, cyber thefts, policies to ensure there is no breach in the privacy of information of customers. These are governed by both IT Strategy and Steering Committee
Conduct & Reputation Risk 	The risk arises from issues such as unethical conduct, regulatory non-compliance, misleading communications, or failure to meet the expectations of consumers, investors, and other key stakeholders	Regular training and awareness programs reinforce the importance of ethical behaviour at all levels of the organization. A policy that addresses customer grievances and has strong redressal mechanisms. Communicate effectively with stakeholders to address their expectations and concerns. Predefined protocols for responding to reputational threats, clear communication channels, and designated teams responsible for managing the situation

Risk-Based Internal Audit (RBIA): Advancing Assurance, Enhancing Resilience

As we continue to operate in a dynamic and rapidly changing risk landscape, our commitment to strong corporate governance and risk management remains unwavering. With our Company's asset size exceeding INR 7500 Crores, we have further strengthened our Risk-Based Internal Audit (RBIA) Framework—an integral part of our governance structure.

The RBIA framework, introduced in line with regulatory expectations, continues to evolve as a strategic enabler, helping us anticipate, assess, and respond to key business risks. It enables the internal audit function to focus its efforts on the areas of highest risk and strategic importance, ensuring alignment with the Company's long-term goals while supporting operational efficiency and resilience.

Key Enhancements and Highlights of Our RBIA Approach in the Current Year:

- **Matured Strategic Integration:** Internal audit planning and execution are now more deeply embedded into our strategic planning processes. Audit priorities are directly influenced by the Company's risk appetite and business imperatives.
- **Data-Driven Risk Assessment:** The current year saw the integration of data analytics into our risk assessment and audit scoping processes, enhancing our ability to identify emerging risk trends and focus on high-impact areas.
- **Collaborative Risk Culture:** The RBIA framework fosters a strong partnership between the internal audit team, risk management, and business units, reinforcing a culture of accountability and proactive risk ownership.
- **Capability Building:** Continued investment in upskilling the audit team and enhancing audit tools has improved the depth and coverage of our audits, ensuring timely and actionable insights for management.
- **Enhanced Board Oversight:** The Audit Committee has been regularly apprised of key audit findings, emerging risk themes, and management action plans—strengthening governance and stakeholder confidence.

As we look ahead, the RBIA function will continue to evolve in response to internal and external developments, leveraging technology and best practices to deepen risk insights and deliver assurance with greater agility.

Our RBIA journey reflects our broader objective: to protect and strengthen our organization by embedding risk awareness and resilience into every level of operation. It is not only a pillar of our governance mechanism but a catalyst for sustainable value creation.

Compliance Processes and Strategies: Ensuring Transparency and Trust

In today's dynamic and ever-evolving regulatory landscape, the need for robust compliance processes has never been more critical. We at Veritas remain committed to maintaining the highest standards of corporate governance and transparency.

A Foundation of Regulatory Adherence

Our compliance framework is built on a clear understanding of the various laws, guidelines, and regulations that govern the operations of NBFCs. As an NBFC, we are regulated by several important legal and regulatory authorities in India, ensuring that we not only meet regulatory requirements but also deliver value and transparency to our stakeholders. The key regulatory frameworks we comply with include:

1. The Companies Act, 2013: The cornerstone of corporate governance in India, ensuring proper financial disclosure and accountability for companies, including NBFCs.
2. Reserve Bank of India (RBI) Regulations for NBFCs: As an NBFC, we strictly adhere to the guidelines and regulations set by the RBI under the Reserve Bank of India Act, 1934. These include Prudential Norms, Asset Classification and Provisioning, Know Your Customer (KYC) and Anti-Money Laundering (AML) guidelines, Fair Practices Code etc.,
3. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: For our publicly listed financial instruments, we comply with the regulations prescribed by the Securities and Exchange Board of India (SEBI) to ensure accurate disclosures and maintain investor confidence.
4. Income Tax Act: Ensuring that we meet our tax obligations under the Income Tax Act, including income tax, GST, and other applicable taxes, to maintain financial transparency.
5. Indian Accounting Standards (Ind AS): We align our financial reporting with the Indian Accounting Standards (Ind AS), ensuring transparency, consistency, and comparability in our financial statements.
6. Consumer Protection Laws: We ensure our operations, especially related to lending and financing activities, are aligned with consumer protection laws to maintain the trust of our customers and stakeholders.



These regulations provide a structured framework that not only ensures compliance but also fosters transparency and accountability, helping us build and maintain long-term trust with our investors, customers, and other stakeholders.

Comprehensive Compliance Processes

Our approach to compliance is both structured and diligent. We follow a rigorous set of processes to ensure compliance across our operations and financial disclosures, with a particular emphasis on meeting the requirements set by RBI and other relevant authorities.

Corporate Governance and Ethical Practices

We adhere to the highest standards of corporate governance and ethical business practices.

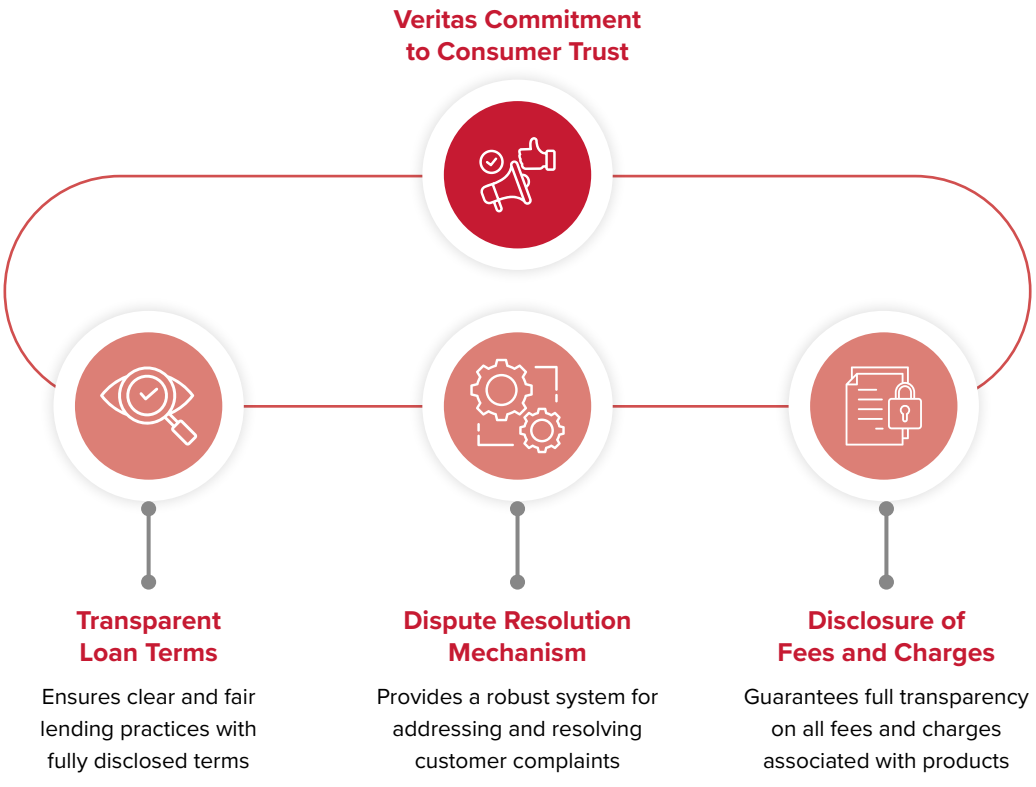
Board Composition and Committees: Ensuring that our board is composed of qualified and independent members, with clear roles for the audit, risk, and compliance committees.

Taxation and Regulatory Compliance: We comply fully with the Income Tax Act and GST Regulations, ensuring that our tax filings are accurate and timely.

Consumer Protection and Fair Practices

We at Veritas deal with a wide range of customers, and their trust is essential. We follow RBI's Fair Practices Code and Consumer Protection Laws to ensure that we offer our products and services fairly. This includes:

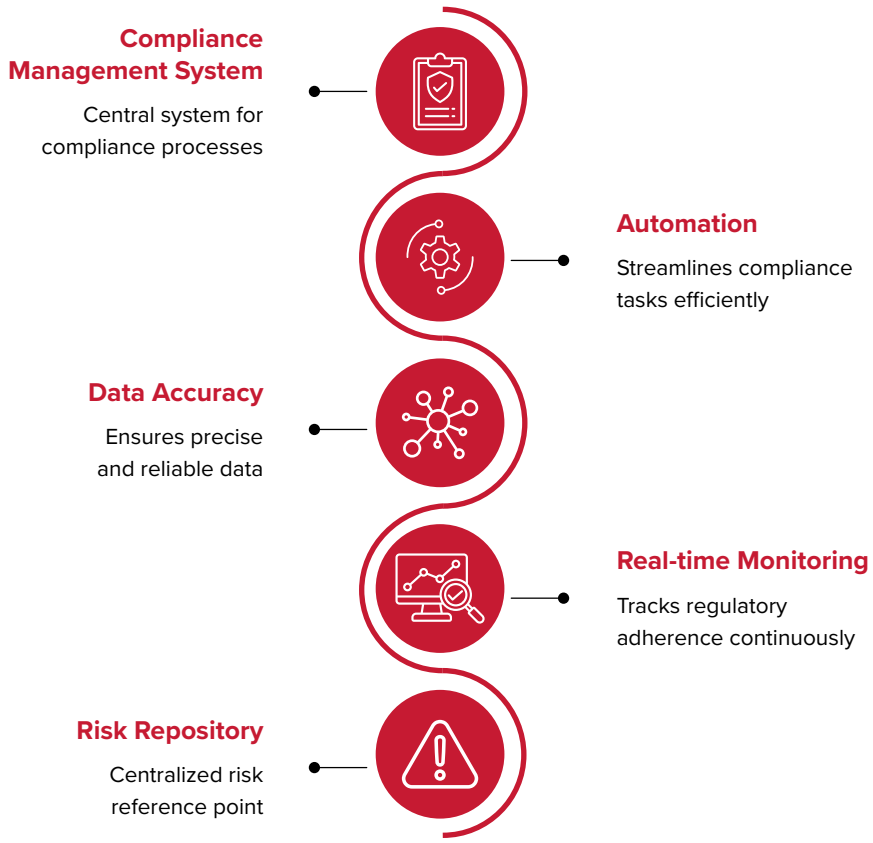
- Transparent Loan Terms: We ensure that our lending practices are clear, transparent, and fair, with clear terms and conditions that are communicated to the customer at every stage. One of the pioneers in implementing RBI's KFS in vernacular language.
- Dispute Resolution Mechanism: A robust mechanism for addressing customer complaints and resolving issues promptly.
- Disclosure of Fees and Charges: Full disclosure of all applicable fees, charges, and interest rates associated with our products, ensuring transparency and fairness.



Leveraging Technology for Compliance Efficiency

In today's digital era, technology plays a pivotal role in ensuring compliance. At Veritas, we have implemented sophisticated Compliance Management Systems to automate compliance processes, improve data accuracy, and monitor regulatory adherence in real-time. One of the most fundamental uses of compliance management software is a repository of the compliance risks faced by Veritas and the supporting details of each risk. It works as a point of reference for the organization whenever a new risk factor emerges.

Compliance Management at Veritas



Training and Employee Engagement

To foster a culture of compliance across the organization, we regularly train our employees on the latest regulatory changes, ethical standards, and best practices. Training modules focus on educating employees about RBI's regulatory guidelines, Consumer Rights and Fair Lending Practices, Anti-Money Laundering (AML) and KYC.

Continuous Improvement in Compliance Practices

Compliance is not a one-time task but a continuous effort. We regularly review our compliance processes to ensure that we stay ahead of regulatory changes. This includes, Regular Risk Assessments, Monitoring &Testing , Feedback Mechanisms, Adapting to Regulatory Changes

We are dedicated to continuously improving our compliance processes, staying ahead of regulatory changes, and ensuring that our financial operations remain sound, transparent, and secure. By upholding these values, we aim to not only meet the regulatory requirements but also contribute to the sustainable growth of the organization, benefiting all our stakeholders in the long term.

Annexure- I

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

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

S.No	Particulars	Remarks
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year*	Mr. D. Arulmany – 90.35:1 Mr. Mathew Joseph-5.39:1 Mr. Subramanian Suresh-5.60:1 Mr. Sankarson Banerjee-4.23:1 Mr. Raj Vikash Verma-2.94:1 Ms. Susan Thomas-3.30:1
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Managing Director and CEO – 24.94% Chief Financial Officer – (-6.41%) Company Secretary and Compliance Officer– 40.55% Other Directors – 38.31%
3.	The percentage increase in the median remuneration of employees in the financial year	1.83%
4.	The number of permanent employees on the rolls of Company	7796
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average % increase in employees salary: 9.86% Average % increase in KMP salary: 19.69%
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the as per the Policy for Directors, Key Managerial Personnel and other Employees.

*Mr. Abhijit Sen, Mr. M. Sivaraman and Mr. N. Mohanraj cease to be independent directors effective from 21 May 2024.

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

Annexure- II

FORM NO AOC-2

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

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

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

Veritas Finance Limited has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or not at arm's length during FY 2024-25.

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

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

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

Although there are no related party transactions as per Section 188 of the Companies Act, 2013 and the rules made thereunder, as per Rule 4(1) of the Companies (CSR Policy) Rules, 2014. The Company transfers its CSR obligations (part or whole) as per the CSR Annual Action Plan to Veritas Foundation and the details of the transactions are available as part of the CSR report FY 2024-25. Further, during the financial year ended March 31, 2024, the Company established a trust by name "Veritas Employees Gratuity Trust" for the purpose of covering the gratuity payable to employees as per Payment of Gratuity Act, 1972 in association with SBI Life Insurance Company Limited.

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

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

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

Date: April 30, 2025

Annexure III

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

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	30,00,000
b. Options Granted	30,50,000
c. Options Vested	-
d. Options Exercised	29,61,500
e. The total no. of shares arising as a result of exercise of option	29,61,500
f. Options Lapsed / Surrendered	88,500
g. Variation of terms of option	On January 13, 2025, ESOS B, 2018 was amended to comply with SEBI SBEB & SE Regulations and the time period of exercise was extended to five years.
h. Total number of options in force	-
i. Options available for grant	38,500
j. Money realized by exercise of options	INR 3,81,30,000/-
k. (a) Details of options granted to Key Managerial Personnel (KMP)	NIL during the year
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2025	NIL
(c) Identified employees who were granted Options, during the period ended 31.03.2025, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	NA

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

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	10,00,000
b. Options Granted	11,62,500
c. Options Vested	95,250
d. Options Exercised	8,35,350
e. The total no. of shares arising as a result of exercise of option	8,35,350
f. Options Lapsed / Surrendered	1,63,400
g. Variation of terms of option	On January 13, 2025, ESOS B, 2018 was amended to comply with SEBI SBEB & SE Regulations and the time period of exercise was extended to five years.
h. Total number of options in force	95,250
i. Options available for grant	900
j. Money realized by exercise of options	INR 3,77,04,000/-
k. (a) Details of options granted to Key Managerial Personnel	NIL during the year
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2025	2,500
(c) Identified employees who were granted Options, during the period ended 31.03.2025, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	Exercise Price was INR 600 for Options granted on 06.09.2024.

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

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	20,00,000
b. Options Granted	25,75,000
c. Options Vested	6,46,750
d. Options Exercised	10,53,650
e. The total no. of shares arising as a result of exercise of option	10,53,650
f. Options Lapsed / Surrendered	5,75,850
g. Variation of terms of option	On January 13, 2025, ESOS C, 2018 was amended to comply with SEBI SBEB & SE Regulations and the time period of exercise was extended to five years
h. Total number of options in force	6,46,750
i. Options available for grant	850
j. Money realized by exercise of options	INR 14,47,52,500/-
k. (a) Details of options granted to Key Managerial Personnel (KMP)	NIL
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2025	1 employee
(c) Identified employees who were granted Options, during the period ended 31.03.2025, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	Exercise Price was INR 600 for Options granted on 06.09.2024. Exercise Price was INR 625 for Options granted on 09.01.2025.

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

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	10,00,000
b. Options Granted	11,25,000
c. Options Vested	3,01,250
d. Options Exercised	24,500
e. The total no. of shares arising as a result of exercise of option	24,500
f. Options Lapsed / Surrendered	1,80,500
g. Variation of terms of option	On January 13, 2025, ESOS 2021 was amended to comply with SEBI SBEB & SE Regulations and the time period of exercise was extended to five years.
h. Total number of options in force	3,01,250
i. Options available for grant	55,500
j. Money realized by exercise of options	INR 55,12,500/-
k. (a) Details of options granted to Key Managerial Personnel	NIL during the year
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2025	1 employee
(c) Identified employees who were granted Options, during the period ended 31.03.2025, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	Exercise Price was INR 600 for Options granted on 16.07.2024 and 06.09.2024. Exercise Price was INR 625 for Options granted on 09.01.2025 and 03.03.2025.

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

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	20,00,000
b. Options Granted	17,64,167
c. Options Vested	1,33,334
d. Options Exercised	NIL
e. The total no. of shares arising as a result of exercise of option	NIL
f. Options Lapsed / Surrendered	2,10,833
g. Variation of terms of option	On January 13, 2025, ESOS 2024 was amended to comply with SEBI SBEB & SE Regulations.
h. Total number of options in force	1,33,334
i. Options available for grant	4,46,666
j. Money realized by exercise of options	NIL
k. (a) Details of options granted to Key Managerial Personnel	2,00,000 options granted to KMPs (CFO)
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2025	4 employees
(c) Identified employees who were granted Options, during the period ended 31.03.2025, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	Exercise Price was INR 600 for Options granted on 16.07.2024 and 06.09.2024. Exercise Price was INR 625 for Options granted on 09.01.2025 and 03.03.2025.

Note: SEBI SBEB & SE Regulations means Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.

Annexure IV

Report of Secretarial Auditors

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2025

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

To,
The Members,
VERITAS FINANCE LIMITED,
(Formerly known as VERITAS FINANCE PRIVATE LIMITED)
(CIN: U65923TN2015PLC100328),
SKCL Central Square 1, South and North Wing, 7th Floor, Unit No. C28-C35 CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai - 600 032.

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

Based on our verification of the Companies books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the/extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2025** according to the provisions of:

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

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

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

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

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

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

(b) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

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

(d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR);

(e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(f) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

(vi) Reserve Bank of India Act, 1934 and RBI Directions and Guidelines as applicable to the Company.

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

i. The Listing Agreements entered into by the Company with BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'); and

ii. Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meeting issued by the Institute of Company Secretaries of India.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in 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 & Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the respective 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.

We further report that during the audit period;

a. Mr. Abhijit Sen (DIN: 00002593), Mr. Mohanraj Narendranathan Nair (DIN: 00181969) and Mr. Sivaraman Mahadevan, (DIN: 02045100) were ceased as an Independent Directors on the Board of the Company upon completion of their second term of office on May 21, 2024.

b. Mr. V. G. Suchindran, resigned as Chief Financial Officer of the Company w.e.f. close of business hours of September 13, 2024.

c. The Registrar of Companies, Central Processing Centre, Gurgaon, has considered and approved the conversion of the Company from Private Limited to Public Limited Company w.e.f. October 23, 2024. Consequently, the name of the Company changed to VERITAS FINANCE LIMITED on the said date.

d. Ms. S. V. Laxmi, who was appointed as an Interim Chief Financial Officer and KMP of the Company w.e.f. September 16, 2024, resigned from that position w.e.f. March 02, 2025 and she continued as the Deputy Vice President - Finance.

e. Mr. Ramanathan Naveen Raj was appointed as Chief Financial Officer and KMP of the Company w.e.f. March 03, 2025.

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

a. considered and approved, at its meeting held on April 25, 2024, the proposal for fund raising by issue of redeemable and non-convertible debentures aggregating up to INR 1250,00,00,000/- in one or more series/tranches on private placement basis.

b. allotted, 10,000 Series 17 secured, rated, listed, redeemable, Transferable, non-convertible debentures bearing face value of INR 1,00,000/- each aggregating to INR 100,00,00,000/- through circular resolution passed by Resources and Business Committee of the Board dated June 27, 2024.

c. approved, vide its circular resolution dated July 26, 2024, the conversion of 42,13,262 partly paid-up equity Shares having face value INR 10/- each to fully paid-up equity shares.

d. approved and took note, at its meeting held on August 13, 2024, forfeiture of 8,00,000 partly paid equity shares for non-payment of call money pursuant to the Articles of Association of the Company.

e. in supersession to the earlier resolutions passed in this regard, considered and approved, at its meeting held on October 29, 2024, the proposal for fund raising by issue of redeemable and non-convertible debentures, based on amended limits, aggregating up to INR 750,00,00,000/- in one or more series/tranches on private placement basis.

f. allotted, 10,000 Series 18A & 18B secured, rated, listed, redeemable, Transferable, non-convertible debentures bearing face value of INR 1,00,000/- each aggregating to INR 100,00,00,000/- through circular resolution passed by Resources and Business Committee of the Board dated November 13, 2024.

g. allotted, 10,000 Series 19A & 198 secured, rated, listed, redeemable, Transferable, non-convertible debentures bearing face value of INR 1,00,000/- each aggregating to INR 100,00,00,000/- through circular resolution passed by Resources and Business Committee of the Board dated February 21, 2025.

h. considered and approved, at its meeting held on March 21, 2025, the increase of the borrowing powers of the Board from INR 7000,00,00,000/- to INR 9500,00,00,000/- subject to approval of shareholders of the Company.

i. granted 16,70,000 Employees Stock Options pursuant to the respective Veritas Employee Stock Option Schemes on various dates.

j. allotted 53,000 Equity Shares of INR 10/- each under Veritas Employee Stock Option Schemes on various dates.

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

a. passed an ordinary resolution under sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on April 20, 2024 for appointment of Mr. Sankarson Banerjee (DIN: 07407346) as an Independent Director of the Company to hold office for a term of five consecutive years with effect from March 27, 2024.

b. passed a special resolution under section 180(1)(c) and other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on April 20, 2024 to amend the borrowing powers of the Board of Directors as follows:

Particulars	Old Limits (in ₹ Crores)	Amended Limits (in ₹ Crores)
Private placement of Non-Convertible Debentures (NCDs)	400.00	1250.00
Borrowings from such person or persons including banks, institutions, corporates, etc., including by issue of External Commercial Borrowings (ECBs), availing Standby Letter of Credit (SBLC), and all types of fund and non-fund based facilities.	4000.00	4000.00
Borrowings by way of Commercial Papers	200.00	200.00
Total Direct Borrowings (in ₹ Crores) (outstanding at any point of time)	**4600.00**	**5600.00**
Securitization of its loan receivables, and/or to sell / transfer / directly assign substantial assets including receivables / book debt of the Company	600.00	1400.00
Grand Total (in ₹ Crores)	**5200.00**	**7000.00**

c. passed a special resolution under section 42, 71 and all other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on April 20, 2024 for issue of secured/unsecured/subordinated, rated/unrated, listed/unlisted non-convertible debentures on a private placement basis in one or more tranches/series up to a maximum amount not exceeding INR 1250,00,00,000/- during a period of one year.

d. passed a special resolution under section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on April 20, 2024, to undertake the transaction(s) for Securitization/Selling/Transfer/Direct Assignment of its receivables/book debts up to INR 1400,00,00,000/-.

e. passed an ordinary resolution under sections 139 to 142 and all other applicable provisions of the Companies Act, 2013 at the Annual General Meeting held on June 10, 2024 for appointment of M/s. S.R Batliboi & Associates LLP, Chartered Accountants, (Firm's Registration No. 101049WE300004), as statutory auditors of the Company, to hold office for a period of 3 consecutive years from the date of conclusion of 9th Annual General Meeting of the Company till the conclusion of the 12th Annual General Meeting of the Company to be held in the year 2027.

f. passed a special resolution under sections 13, 61, 64 and all other applicable provisions of the Companies Act, 2013 at the Annual General Meeting held on June 10, 2024 for re-classification of authorized share capital and consequent alteration of Memorandum of Association of the Company.

g. passed a special resolution under sections 4, 5, 13, 14, 18 and all other applicable provisions of the Companies Act, 2013 at the Annual General Meeting held on June 10, 2024 for conversion of status of the Company from 'Private Limited Company' into 'Public Limited Company'.

h. passed a special resolution under sections 4, 13, 61 and all other applicable provisions of the Companies Act, 2013 at the Annual General Meeting held on June 10, 2024 for alteration of Name Clause (Clause I), Object Clause (Clause III B) and Capital Clause (Clause V) of Memorandum of Association of the Company in reference to the conversion of the Company from a Private Limited Company into Public Limited Company.

i. passed a special resolution under sections 5, 14 and all other applicable provisions of the Companies Act, 2013 at the Annual General Meeting held on June 10, 2024 for alteration of Articles of Association of the Company in order to align the Articles of Association with the requirements of the Companies Act as applicable to Public Limited Company.

j. passed an ordinary resolution under sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on September 30, 2024 for appointment of Mr. Raj Vikash Verma (DIN: 03546341) as an Independent Director of the Company to hold office for a term of five consecutive years with effect from July 16, 2024.

k. passed an ordinary resolution under sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on September 30, 2024 for appointment of Ms. Susan Thomas (DIN: 09760548) as an Independent Director of the Company to hold office for a term of five consecutive years with effect from July 16, 2024.

l. passed a special resolution under section 180(1)(c) and other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on September 30, 2024 to amend the borrowing powers of the Board of Directors as follows:

Particulars	Old Limits (in ₹ Crores)	Amended Limits (in ₹ Crores)
Private placement of Non-Convertible Debentures (NCDs	1250.00	750.00
Borrowings from such person or persons including banks, institutions, corporates, etc., by way of External Commercial Borrowings (ECBs), availing Standby Letter of Credit (SBLC), and all types of fund and non-fund based facilities.	4000.00	4500.00
Borrowings by way of Commercial Papers	350.00	350.00
Total Direct Borrowings (in ₹ Crores) (outstanding at any point of time)	**5600.00**	**5600.00**
Securitization of its loan receivables, and/or to sell / transfer / directly assign substantial assets including receivables /book debt of the Company	1400.00	1400.00
Grand Total (in ₹ Crores)	**7000.00**	**7000.00**

m. passed a special resolution under section 42, 71 and all other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on September 30, 2024 for issue of secured/unsecured/subordinated, rated/unrated, listed/unlisted non-convertible debentures on a private placement basis in one or more tranches/series up to a maximum amount not exceeding INR 750,00,00,000/- during a period of one year based on amended limits

n. passed a special resolution under sections 5, 14 and all other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on January 13, 2025 for adoption of new set of Articles of Association of the Company in total exclusion and substitution of the existing Articles of Association.

o. passed a special resolution at the Extra-ordinary General Meeting held on January 13, 2025 for approving the Initial Public Offer and the issuance of equity shares in the Initial Public Offer up to an aggregate of INR 6,000 million by way of a fresh issue of equity shares and an offer for sale of such number of Equity Shares aggregating up to INR 22,000 million by certain existing shareholders.

p. passed special resolutions under section 62 and all other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on January 13, 2025 for the amendments to Veritas Employee Stock Option Scheme, 2016, Veritas Employee Stock Option Scheme, 2018, Veritas Employee Stock Option Scheme, October 2018, Veritas Employee Stock Option Scheme, 2021 and Veritas Employee Stock Option Scheme, 2024 in order to comply with the regulatory requirements in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

q. passed special resolutions under section 62 and all other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on January 13, 2025 to extend the applicability and benefits of Veritas Employee Stock Option Scheme, 2016, Veritas Employee Stock Option Scheme, 2018, Veritas Employee Stock Option Scheme, October 2018, Veritas Employee Stock Option Scheme, 2021 and Veritas Employee Stock Option Scheme, 2024 to the employees of the Company's group companies of the Company, including the Company's subsidiary, holding Company and associate Company(ies) in such manner and on such terms and conditions as the Board may decide.

r. passed a special resolution under sections 196, 197 198 and all other applicable provisions of the Companies Act, 2013 at the Extra-ordinary General Meeting held on January 13, 2025 to change the terms of remuneration of Mr. Arulmany Duraisamy (DIN: 00009981), Managing Director and CEO of the Company, due to impact of amendment in Car Scheme Policy.

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

We further report that during the audit period, the Company had filed draft red herring prospectus with respect to initial public offer with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Ltd on January 19, 2025.

For M DAMODARAN & ASSOCIATES LLP

Place: Chennai
Date: April 30, 2025

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837G000235044

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

Annexure 1'

To,
The Members,
VERITAS FINANCE LIMITED,
(Formerly known as VERITAS FINANCE PRIVATE LIMITED)
(CIN: U65923TN2015PLC100328), SKCL Central Square 1, South and North Wing, 7th Floor, Unit No. C28 - C35 CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai - 600 032.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit conducted by us.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M DAMODARAN & ASSOCIATES LLP

Place: Chennai
Date: April 30, 2025

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:F005837G000235044

Annexure V

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

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

1. Brief outline on CSR Policy of the Company.

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

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

2. Composition of CSR Committee:

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

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

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

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

Impact assessment of CSR projects is not applicable as the Company's average CSR obligation in the three immediately preceding financial years does not exceed ten crore rupees or more and there are no CSR projects having outlays of one crore rupees or more, which have been completed not less than one year before undertaking the impact study.

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

Particulars	(in ₹ Lakhs)
Profit/(Loss) - 2023-24	35,686.56
Profit/(Loss) - 2022-23	23,743.84
Profit/(Loss) - 2021-22	11,921.53
Average PROFIT for CSR purpose	**23,783.98**

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

Particulars	(in ₹ Lakhs)
2% of average Profit/Loss for last three years *	475.70

*Prescribed CSR Expenditure

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

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

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]. – INR 475.70 Lakhs

6. **(a)** **Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) –** INR 118.00 Lakhs

(b) **Amount spent in Administrative Overheads-** NIL

(c) **Amount spent on Impact Assessment, if applicable -** Not applicable

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]-** INR 118.00 Lakhs

(e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹ Lakhs)	Amount Unspent (in ₹ Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in ₹ Lakhs)	Date of transfer	Name of the Fund	Amount (in ₹ Lakhs)	Date of transfer
118.00	357.70	April 17, 2025	NA	NA	NA

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

Sl. No.	Name of Director	Amount (in Lakhs ₹)
i.	Two percent of average net profit of the Company as per section 135(5)	INR 475.70 Lakhs
ii.	Total amount spent for the Financial Year	INR 118.00 Lakhs
iii.	Excess amount spent for the financial year [(ii)-(i)]	NIL
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹ Lakhs)	Amount spent in the reporting Financial Year (in ₹ Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years (in ₹ Lakhs)	Deficiency, if any
					Amount (in ₹ Lakhs)	Date of transfer		
1.	FY 2021-22	NA	NA	89.10	37.50	April 21, 2022	NIL	NIL
2.	FY 2022-23	NA	NA	NA	NA	NA	NA	NA
3.	FY 2023-24	151.30	28.06	123.24	NA	NA	28.06	NA

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

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

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

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

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

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

The Company transferred an amount of INR 475.70 Lakhs from the CSR budget of FY 2024-25 to Veritas Foundation towards various CSR activities, of which INR 118.00 Lakhs has been spent by Veritas Foundation in FY 2024-25.

The unspent CSR amount of INR 357.70 Lakhs, towards 'ongoing projects' as identified and approved by the Board, has duly been transferred to a designated separate bank account namely 'Unspent CSR Account FY 2024-25' on April 17, 2025, upon receipt of the amount from Veritas Foundation.

	Sd/-	Sd/-
	D. Arulmany	**Susan Thomas**
Date: April 30, 2025	(Managing Director & CEO)	(Independent Director, Chairperson - CSR Committee)
Place: Chennai	DIN: 00009981	DIN: 09760548

Appointment, Remuneration and Evaluation Policy

Preamble:

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

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

Definitions:

a) **Board or Board of Directors:** Board of Directors mean the board of directors of the Company.

b) **"Company":** Company means Veritas Finance Limited.

c) **Independent Director:** Independent Director means a director referred to in Section 149(6) of the Act, as amended from time to time.

d) **Key Managerial Personnel or KMP:** Key Managerial Personnel means — (i) Chief Executive Officer ("CEO") and/ or the Managing Director ("MD"), (ii) Chief Financial Officer ("CFO"), (iii) Company Secretary and Compliance Officer, and (iv) such other officer as may be prescribed.

e) **Nominee Director:** Director appointed by the major investor as per the terms of the Shareholders Agreement.

f) **Remuneration:** Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

g) **Senior Management:** Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Managing Director, including all functional heads.

h) **RBI Master Directions:** RBI Master Directions means Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023, including amendments made thereto from time to time.

The objectives of this policy:

a) To evaluate the performance of the members of the Board.

b) To develop and recommend to the Board a set of corporate governance principles, takes a leadership role in shaping the corporate governance of the Company.

c) To make recommendations to the Board as to the size, composition, structure of the Board and also evaluation criteria of the Independent Directors, including chairman, conduct annual review of the performance of the Managing Director and/or Chief Executive Officer and also oversee the Company's Managing Director's and/or Chief Executive Officer's succession planning process.

d) To guide the Board in relation to appointment and removal of directors, Key Managerial Personnel and Senior Management.

e) To recommend to the Board on Remuneration payable to the directors, Key Managerial Personnel and Senior Management.

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

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

2. **Role of the Committee:**

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

a) To review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

b) Recommending to the Board a Policy relating to the remuneration for the directors, Key Managerial Personnel, Senior Management, [and other employees] and such other policies as may be required from time to time and to undertake periodic review of the same.

c) To screen and review the identified proposals for considering appointment as Board members and make suitable recommendations to the Board for appointment of such individuals for directorships.

d) Ensuring 'fit and proper' status of the proposed and existing directors and scrutinising the declarations received by the directors in this regard.

e) Formulation of the criteria for determining qualifications, positive attributes and independence of a director

f) To assess the independence of Independent Directors and non-executive directors;

g) Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director.

h) Formulating criteria for evaluation of the performance and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out by the Board and/or by the Nomination and Remuneration Committee.

i) Devising a policy on Board diversity.

j) To review the results of the Board performance evaluation process that relate to the composition of the Board;

k) To make recommendations to the Board on the appointment or re-appointment of directors, Key Management Personnel, and Senior Management, and succession planning for directors, Key Management Personnel, and Senior Management, in particular the Chairman and the Chief Executive Officer.

l) To recommend remuneration payable to non-executive directors of the Company from time to time.

m) Annual appraisal of the performance of the Managing Director and fixing his terms of remuneration in terms of the applicable laws and regulations.

n) Annual appraisal of the performance of the Key Management Personnel and Senior Management and fixing their terms of remuneration.

o) Annual appraisal of the performance of the Senior Management i.e., Chief Risk Officer, Chief Audit Officer, and Chief Compliance Officer, and fixing their terms of remuneration based on the recommendations of the Risk Management Committee and the Audit Committee respectively.

p) Administration of ESOP Schemes of the Company as approved from time to time.

q) To consider giving stock options to the employees and also consider any other compensation-related issues or matters relating to the Company's employees.

r) To work closely with risk management committee to achieve effective alignment between compensation and risks.

s) Recommending such items and matters to the Board for their consideration and approval/ratification as may be required from time to time.

t) Performing such other activities as may be delegated by the Board and/or prescribed under the Act, the SEBI LODR Regulations, [RBI Master Directions], and any other applicable rules, regulations, guidelines, clarifications, circulars, and notifications issued by the Government of India including Securities and Exchange Board of India, RBI any other regulatory authority from time to time.

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

3. Key Principles

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

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

  a) It shall be commensurate with the role and prudent risk taking profile of KMPs and Senior Management employees;

  b) Can be reduced to zero based on performance at an individual, business-unit and Company wide level.

- Be financially viable and relevant to market practices and commensurate to skills:

  a) taking into account, financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past Remuneration, and any other relevant factors that the Committee may deem fit;

  b) be in a position to bring about objectivity in determining the Remuneration package while striking a balance between the interest of the Company and the shareholders.

- The compensation of KMPs and Senior Management shall be aligned effectively with prudent risk taking to ensure that

  a) compensation is adjusted for all types of risks;

  b) the compensation outcomes are symmetric with risk outcomes;

  c) compensation pay-outs are sensitive to the time horizon of the risks, and

  d) the mix of cash, equity and other forms of compensation are consistent with risk alignment.

- Compliant with local laws:

  a) Remuneration for Senior Management is in compliance with the relevant provisions of the Act.

  b) Remuneration for all employees are in compliance with the relevant provisions of Payment of Wages Act, Minimum Wages Act, and such other relevant Labour Laws of the country as may be applicable to the Company from time to time.

4. Compensation Governance:

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

  The Board of Directors must monitor and review the compensation system to ensure the system operates as intended,

- Staff engaged in financial and risk control must be independent, have appropriate authority, and be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in Veritas.

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

Appointment criteria and qualification:

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

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

I. Qualification, expertise and experience of the directors in their respective fields;

II. Personal, Professional or business standing;

III. Diversity of the Board.

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

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

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

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

Removal:

A. Employees: Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, rules and regulations and the Company's prevailing HR policies, employment agreements etc., the Committee may recommend, to the Board, with reasons recorded in writing, removal of a KMP or Senior Management.

B. Independent Director: Disqualification shall be done on the following conditions as specified below:

a. Director incurs any of the disqualifications specified in section 164;

b. Director absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

c. Director acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;

d. Director fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;

e. Director becomes disqualified by an order of a court or a National Company Law Tribunal;

f. Director is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months.

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

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

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

Pursuant to the provisions of the Act, the Board will carry out annual performance evaluation of its own performance, its Committee's and the directors individually covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc. A separate exercise to evaluate the performance of individual Directors including the Chairman of the Board / Committees will be evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

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

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

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

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

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

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

The compensation structure shall broadly comprise the following components:

1. Fixed Pay
2. Variable Pay

Composition of Fixed Pay:

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

Composition of Variable Pay:

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

Annual Performance Bonus (APB): The KMPs and Senior executives of the Company, are eligible for the Annual Performance Bonus. The APB is dependent on individual performance and the organisation's performance for the financial year. The performance rating assigned is based on the assessment of performance delivered against a set of defined performance objectives.

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

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

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

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

8. Compensation for Risk Control and Compliance Staff:

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

9. Malus and Clawback:

Malus: Malus arrangement is applicable for all types of variable pay (Cash / Deferred cash / ESOP / Deferred Incentive Plan / Bonus), which is not yet vested/paid, or vested but not paid/exercised. Payment of all, or part, amount of Variable Pay can be secured under Malus.

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

Malus & Clawback may be applied under the following circumstances:

a. Fraud, misfeasance, breach of trust, dishonesty, or wrongful disclosure by the employee of any confidential information pertaining to the Company;

b. Willful misinterpretation / misreporting financial performance of the Company;

c. Material failure in risk management controls or material losses due to negligence in risk- taking which are attributable to the employee, whether directly or indirectly;

d. Any misconduct pertaining to moral turpitude, theft, misappropriation, corruption, forgery, embezzlement, or an act of a felonious or criminal nature;

e. Non-disclosure of material conflict of interest by the employee or any misuse of official powers;

f. An act of willful, reckless, or grossly negligent conduct which is detrimental to the interest or reputation of the company monetarily or otherwise;

g. Any breach of the Code of Conduct, Non-Disclosure Agreement, regulatory procedures, internal rules, and regulations, or any other such instance for which the NRC/MD, in their discretion, may deem it necessary to apply malus or / and clawback provisions;

Malus may be applied under the following additional circumstances:

a. Deterioration of financial performance of the Company going into losses in the Profit after Tax from one financial year to the next; or vs budget for the year; or any other criteria laid down by the NRC / MD from time to time;

b. In case any deferred / LTI plan is issued which is linked to the performance of an employee and the defined performance parameters are not met by the employee

c. On Resignation or separation of the employee from services of the Company

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

No variable pay / New Grants:

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

10. Remuneration to Independent Director

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

The sitting fee payable to the Independent Director for attending the Board and Committee meetings is fixed subject to the statutory ceiling. The fee is reviewed periodically and aligned to comparable best in class practices.

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

The sitting fees, as the case may be, to the Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

11. Policy Review

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

12. Dissemination of Policy

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

Annexure A

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

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

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

MATRIX FOR EVALUATION OF INDEPENDENT DIRECTOR

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

Rating:

1 - Always

2 - Mostly

3 - Sometimes

4 - Occasionally

MATRIX FOR EVALUATION OF NOMINEE DIRECTOR

S. No.	Criteria of Evaluation	Rating				Remarks
		1	2	3	4	
1.	The Director attends the Board & Committee meetings regularly					
2.	The Director invest time in understanding the Company and its unique requirements					
3.	The Director brings in external knowledge and perspective to the table for discussion					
4.	The Director expresses his views on issues at the Board					
5.	The Director keeps himself updated on areas and issues that are likely to be discussed at the Board Level					
6.	The Director is guided by the requirements of the various provisions as applicable to the investor they are representing as given in the Shareholders Agreement as amended from time to time					

Rating:

1 - Always

2 - Mostly

3 - Sometimes

4 - Occasionally

Corporate Governance Report

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

Corporate Governance Philosophy

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

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

Veritas is in compliance with the Corporate Governance requirements as mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") in letter and in spirit. A Report on compliance with the Code of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2025 (year under review) and developments up to the date of this report are given below.

Board of Directors

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

The composition of the Board of your Company is in conformity with the provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations, as amended from time to time. The Board currently consists of Nine Directors. There are Five Independent Directors, three Nominee Directors of the Investors apart from the Managing Director and CEO.

All the Directors have strong academic background and possess rich experience in general corporate management, banking, finance, economics, marketing, digitisation, analytics, strategy formulation and other allied fields that allow them to contribute effectively by actively participating in the Board and Committee Meetings, providing valuable guidance and expert advice to the Board and the Management and enhancing the quality of Board's decision making process.

During the financial year ended March 31, 2025, twelve (12) Board Meetings were held with a gap of not more than 120 days between any two meetings. The requisite quorum was present for all the Meetings. Particulars of the Composition of the Board of Directors, Directors' attendance to the Board Meeting and particulars of their other Company directorships are given below:

Sl. No.	Name of Director	Director (from & till date)	Capacity (i.e. Executive/ Non-Executive/ Chairman/ nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held#	Attended		Salary and other compensation (in Lakhs ₹)	Sitting Fee (in Lakhs ₹)	Commission to be entered for the Directors (in Lakhs ₹)	
1	Mr. Raj Vikash Verma	From July 16, 2024, till date	Non- Executive Chairman & Independent Director	03546341	10	10	4	NA	8.30	30.00	NIL
2	Mr. D. Arulmany	From April 30, 2015, till date	Managing Director & CEO (First Director)	00009981	12	12	NIL	274.88	NA	NIL	1,24,49,491
3	Mr. Abhijit Sen	From November 9, 2017, till May 21, 2024	Independent Director	00002593	1	1	7	NA	1.00	NIL	NIL
4	Mr. M. Sivaraman	From May 28, 2015 till May 21, 2024	Independent Director	02045100	1	1	NIL	NA	0.75	NIL	NIL
5	Mr. N. Mohanraj	From December 1, 2015, till May 21, 2024	Independent Director	00181969	1	1	1	NA	1.25	NIL	NIL
6	Ms. Priyamvada Ramkumar	From October 12, 2018, till date	Nominee Director of Lok Capital Growth Fund	07878808	12	11	1	NA	NA	NIL	NIL
7	Mr. Parin Mehta	From February 04, 2022, till date	Nominee Director of Kedaara Capital Fund II LLP	08528090	12	10	2	NA	NA	NIL	NIL
8	Mr. Sudhir Narayanankutty Variyar	From July 07, 2023, till date	Nominee Director of Multiples Private Equity Fund III	00168672	12	9	5	NA	NA	NIL	NIL
9	Mr. Mathew Joseph	From November 24, 2023, till date	Independent Director	01033802	12	11	3	NA	15.20	20.00	NIL
10	Mr. Suresh Subramanian	From November 24, 2023, till date	Independent Director	02070440	12	12	5	NA	15.80	20.00	NIL
11	Mr. Sankarson Banerjee	From March 27, 2024, till date	Independent Director	07407346	12	11	5	NA	11.95	20.00	NIL
12	Ms. Susan Thomas	From July 16, 2024, till date	Independent Director	09760548	10	10	2	NA	9.30	20.00	NIL

* Mr. Abhijit Sen, Mr. N. Mohanraj and Mr. M. Sivaraman, Independent Directors, has ceased to be independent directors with effect from May 21, 2024.

Attendance and percentage are calculated for meetings attended during the Director's tenure.

All the meetings of the Board held during FY 2024-25 were conducted in person/ physical form with option/ facility to the Directors to participate via Video-Conferencing.

During FY 2024-25, the Company did not advance loans to any of its Directors, their relatives or any firms in which they are interested.

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

Name of Directors	Board Meetings in FY 2024-25#												% of attendance of a Director across all Board Meetings*
	1	2	3	4	5	6	7	8	9	10	11	12	
	April 25, 2024	July 16, 2024	August 13, 2024	September 06, 2024	October 29, 2024	November 13, 2024	December 19, 2024	January 09, 2025	January 17, 2025	February 05, 2025	March 03, 2025	March 21, 2025	
Mr. Abhijit Sen	🎥	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	100%
Mr. M. Sivaraman	👤	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	100%
Mr. N. Mohanraj	👤	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	100%
Mr. Raj Vikash Verma	NA	NA	🎥	🎥	🎥	🎥	🎥	🎥	🎥	🎥	🎥	👤	100%
Mr. Suresh Subramanian	👤	👤	🎥	👤	👤	🎥	🎥	👤	👤	👤	🎥	👤	100%
Mr. D. Arulmany	👤	👤	👤	👤	👤	👤	👤	👤	👤	👤	👤	👤	100%
Mr. Mathew Joseph	👤	👤	👤	👤	👤	🎥	🎥	👤	👤	👤	🎥	⊗	91.67%
Mr. Sankarson Banerjee	👤	🎥	🎥	👤	🎥	🎥	🎥	🎥	🎥	🎥	🎥	⊗	91.67%
Ms. Susan Thomas	NA	NA	👤	👤	👤	🎥	🎥	👤	🎥	👤	🎥	👤	100%
Mr. Sudhir Variyar	🎥	🎥	⊗	🎥	🎥	🎥	⊗	🎥	🎥	🎥	⊗	🎥	75%
Mr. Parin Nalin Mehta	🎥	🎥	🎥	🎥	🎥	🎥	🎥	⊗	⊗	🎥	🎥	🎥	83.33%
Ms. Priyamvada Ramkumar	👤	🎥	👤	🎥	🎥	🎥	🎥	👤	⊗	🎥	🎥	👤	91.67%
% of attendance of Board as a whole at each meeting	100%	100%	88.89%	100%	100%	100%	88.89%	88.89%	77.78%	100%	88.89%	77.78%	

👤 - Attended-in-person

🎥 - Attended through videoconference

⊗ - Leave of absence

All the meetings of the Board held during FY 2024-25 were conducted in physical form with an option to the Directors to participate via VC.

* Attendance and percentage are calculated for meetings attended during the Director's tenure

Changes in Board Constitution:

The Board, as a part of its succession planning, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company. The following changes in the Board composition were recommended by the Nomination and remuneration Committee ("NRC") and approved by the Board of Directors/Shareholders of the Company during the year under review:

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

During the previous financial year ended March 31, 2024, the following were the changes in the Board constitution:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date
1	Mr. Sudhir Narayanankutty Variyar (DIN: 00168672)	Nominee Director of Multiples Private Equity Fund III	**Appointment –** Mr. Sudhir Narayanankutty Variyar was appointed as the Additional Director (Nominee Director of Multiples Private Equity Fund III) in the Board Meeting held on July 07, 2023. **Regularisation – Change in designation.** Mr. Sudhir Narayanankutty Variyar who was appointed as the Additional Director was regularised as the Nominee Director of Multiples Private Equity Fund III in the Extra-Ordinary General Meeting of the Company held on July 10, 2023.	July 07, 2023

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date
2	Mr. Mathew Joseph (DIN: 01033802)	Independent Director	**Appointment –** Mr. Mathew Joseph was appointed as the Additional and Independent Director in the Board Meeting held on November 24, 2023. **Regularisation – Change in designation.** Mr. Mathew Joseph who was appointed as the Additional and Independent Director was regularised as the Independent Director in the Extra-Ordinary General Meeting of the Company held on December 23, 2023.	November 24, 2023
3	Mr. Suresh Subramanian (DIN: 02070440)	Independent Director	**Appointment –** Mr. Suresh Subramanian was appointed as the Additional and Independent Director in the Board Meeting held on November 24, 2023. **Regularisation – Change in designation.** Mr. Suresh Subramanian who was appointed as the Additional and Independent Director was regularised as the Independent Director in the Extra-Ordinary General Meeting of the Company held on December 23, 2023.	November 24, 2023
4.	Mr. Sankarson Banerjee (DIN: 07407346)	Additional and Independent Director	**Appointment –** Mr. Sankarson Banerjee was appointed as the Additional and Independent Director in the Board Meeting held on March 27, 2024. **Regularisation – Change in designation.** Mr. Sankarson Banerjee who was appointed as the Additional and Independent Director was regularised as the Independent Director in the Extra-Ordinary General Meeting of the Company held on April 20, 2024.	March 27, 2024
5.	Mr. Gaurav Malhotra (DIN: 07640504)	Nominee Director	**Resignation -** Mr. Gaurav Malhotra, Nominee Director of British International Investment PLC, has resigned from the Board of Directors with effect from March 27, 2024.	March 27, 2024

Pecuniary Relationship with Directors

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

Succession Planning

The Nomination and Remuneration Committee works with the Board on the succession plan of directors and senior management team of the Company to ensure orderly succession and preparedness both for planned transitions and unforeseen events. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity. In addition, Nomination and Remuneration Committee also highly recommends promoting the senior management within the organization which helps in fuelling the ambitions of the talent force to earn future leadership roles. The dedication and hard work of our employees have been the foundation of our achievements for decade. Each year, we strengthen this advantage by investing in talent development and fostering an environment where individuals can grow and realize their full potential. The Company has a board-approved Succession Planning Policy for the appointments to the Board and to the Senior Management.

Management Team

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

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

Compliance with Directorship Limits

On the basis of disclosures received from the Directors, it is confirmed that, as on March 31, 2025, none of the Directors of the Company:

i. hold Directorship positions in more than twenty companies (including ten public limited companies and seven listed companies); and

ii. is a member of more than ten committees and/or Chairperson of more than five committees, across all the Indian public limited companies in which they are Directors.

The above compliances were met throughout the year.

Board confirmation regarding independence of the Independent Directors

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

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

During the financial year under review, Mr. Abhijit Sen, Mr. N Mohanraj and Mr. M Sivaraman, Independent Directors of the Company, ceased to be Independent Directors, on completion of their second and final tenure, and Mr. Raj Vikash Verma and Ms. Susan Thomas, were appointed as the Independent Directors.

Separate Meeting of Independent Directors

During the year under review, in line with the requirement under section 149(8) and schedule IV of the Act, the Independent Directors had a separate meeting on February 04, 2025, without the presence of the non-independent directors and management team wherein they put forth their views and discussed the matters relating to Company's affairs.

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

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

The attendance details of the Members for the year ended March 31, 2025, are given below:

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

Separate Meeting of Audit Committee members with Credit Rating Agency

In compliance with the provisions of SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2019/121 dated 4th November 2019, the Members of the Audit Committee interact with the Credit Rating Agencies ("CRAs") at a separate Audit Committee Meeting on annual basis. Accordingly, separate meeting with Credit Rating Agencies was held on January 17, 2025, to inter alia discuss matters including internal financial controls and other material disclosures made by the Company.

Board Procedures

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

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

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

Core Skills/Expertise/Competencies of the Board of Directors

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

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

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

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

Name of the Director	Designation	Skills/ Expertise/Competencies of the Board of Directors
Mr. Raj Vikash Verma	Chairman and Independent Director	• Financial Services • Management and Governance • Consumer behaviour, sales, marketing and customer experience • Understanding of accounting and financial statements • Risk, Assurance and Internal Controls • Regulatory, Public policy and economics • Business Transformation and Strategy • Experience in dealing with the Government and Regulators and external stakeholders
Mr. Mathew Joseph	Independent Director	• Financial Services • Management and Governance • Consumer behaviour, sales, marketing and customer experience • Understanding of accounting and financial statements • Risk, Assurance and Internal Controls • Regulatory, Public policy and economics • Human Resource • Business Transformation and Strategy
Mr. Suresh Subramanian	Independent Director	• Financial Services • Management and Governance • Technology and Digital Innovation • Understanding of accounting and financial statements • Risk, Assurance and Internal Controls • Regulatory, Public policy and economics • Business Transformation and Strategy
Ms. Susan Thomas	Independent Director	• Human Resource • Financial Services • Management and Governance • Consumer behaviour, sales, marketing and customer experience • Business Transformation and Strategy • Special knowledge and practical experience in CSR and the NGO sector
Mr. Sankarson Banerjee	Independent Director	• Financial Services • Management and Governance • Technology and Digital Innovation • Understanding of accounting and financial statements • Risk, Assurance and Internal Controls • Regulatory, Public policy and economics • Business Transformation and Strategy
Mr. Sudhir Narayanankutty Variyar	Nominee Director of Multiples Private Equity Fund III	• Financial Services • Management and Governance • Understanding of accounting and financial statements • Risk, Assurance and Internal Controls • Regulatory, Public policy and economics • Human Resource • Business Transformation and Strategy • Investments and Capital Markets

Name of the Director	Designation	Skills/ Expertise/Competencies of the Board of Directors
Mr. Parin Nalin Mehta	Nominee Director of Kedaara Capital Fund II LLP	• Financial Services • Consumer behaviour, sales, marketing and customer experience • Understanding of accounting and financial statements • Human Resource • Business Transformation and Strategy • Technology and Digital innovation • Investments and Capital Markets
Ms. Priyamvada Ramkumar	Nominee Director of Lok Capital Growth Fund	• Financial Services • Management and Governance • Understanding of accounting and financial statements • Business Transformation and Strategy • Investments and Capital Markets
Mr. D. Arulmany	Managing Director & CEO	• Financial Services • Management and Governance • Consumer behaviour, sales, marketing and customer experience • Understanding of accounting and financial statements • Risk, Assurance and Internal Controls • Human Resource • Business Transformation and Strategy • Regulatory, Public policy and economics

Information and presentations at Meetings

To enable the Board to discharge its responsibilities effectively and take informed decisions, Board is apprised at every quarterly Board Meeting on the overall performance of the Company, as well as the current market conditions including the Company's business and the regulatory scenario, followed by presentations on Financial performance of the Company. Functional and other updates are also presented to the Board on periodical basis.

Notice of meetings and agenda

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

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

Process for preparation of Agendas for Board and its Committees

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

Post meetings follow up procedure

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

Performance Evaluation of Board, its Committees and Directors

The Act and the Listing Regulations stipulate the evaluation of performance of the Board, its Committees, Individual Directors, and the Chairperson.

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

An annual performance evaluation exercise was carried in compliance with the applicable provisions of the Act, Listing Regulations, the Company's Code of Independent Directors and the criteria and methodology of performance evaluation approved by the Nomination and Remuneration Committee ("NRC"). The questionnaires for performance evaluation are comprehensive

and are in alignment with the guidance note on Board evaluation issued by Securities and Exchange Board of India ("SEBI"), vide its circular no. SEBI/HO/CFD/CMD/ CIR/P/2017/004 dated January 5, 2017, and are in line with the criteria and methodology of performance evaluation approved by the NRC.

Outcome and results of the performance evaluation for FY 2025

All the Directors of the Company as on March 31, 2025, had participated in the evaluation process. The Directors expressed their satisfaction with the Annual performance Evaluation process of Board & Committees.

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

Code of Conduct

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

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

Retirement by Rotation

Ms. Priyamvada Ramkumar, DIN: 07878808, Nominee Director retires by rotation and being eligible, offers herself for re-appointment at the ensuing 10th Annual General Meeting of the Company.

Risk Management Framework

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

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

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

Committees of the Board

The Board has constituted various committees to support the Board in discharging its responsibilities. As of March 31, 2025, the Company has nine (9) Committees of the Board, constituted in accordance with the provisions of the Act viz.,



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

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

Committees of the Management

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



Terms of Reference of Committees of Board are as follows:

I. Audit Committee

Terms of Reference:

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

(a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) recommendation for appointment, remuneration and terms of appointment of auditors of including the internal auditor, cost auditor and statutory auditor of the Company and the fixation of audit fee;

(c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

ii. changes, if any, in accounting policies and practices and reasons for the same;

iii. major accounting entries involving estimates based on the exercise of judgment by management;

iv. significant adjustments made in the financial statements arising out of audit findings;

v. compliance with listing and other legal requirements relating to financial statements;

vi. disclosure of any related party transactions; and

vii. modified opinion(s) in the draft audit report.

(e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

(g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company;

(i) scrutiny of inter-corporate loans and investments;

(j) valuation of undertakings or assets of the Company, wherever it is necessary;

(k) to review the functioning of the whistle blower mechanism;

(l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(n) discussion with internal auditors of any significant findings and follow up there on;

(o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(p) discussion with statutory auditors before the audit commences, about the nature and scope of audit

as well as post-audit discussion to ascertain any area of concern;

(q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(r) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(s) identification of list of key performance indicators and related disclosures in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, for the purpose of the Company's proposed initial public offering;

(t) carrying out any other function as is mentioned in the terms of reference of the audit committee or as required as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or any other applicable law, as and when amended from time to time;

(u) reviewing the utilization of loans and/ or advances from/ investment by the holding Company in the subsidiary exceeding INR 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

(v) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(w) monitoring the end use of funds raised through public offers and related matters;

(x) reviewing compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended and verifying that the systems for internal control are adequate and are operating effectively;

(y) carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, SEBI ICDR Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and

(aa) to carry out such other functions as may be specifically referred to the Audit Committee by the Board and/or other committees of directors of the Company.

The Audit Committee shall mandatorily review the following information:

a) management discussion and analysis of financial condition and results of operations

b) management letters / letters of internal control weaknesses issued by the statutory auditors

c) internal audit reports relating to internal control weaknesses; and

d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

e) statement of deviations:

   i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) and 52 of SEBI Listing Regulations, as amended.

   ii. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) and 52 of SEBI Listing Regulations, as amended.

f) Such information as may be prescribed under the Companies Act, and the rules thereunder, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended.

g) To review the financial statements, in particular, the investments made by an unlisted subsidiary, if any.

Composition & Meetings

The Audit Committee was reconstituted in the Board Meetings held on April 25, 2024, and August 13, 2024.

The composition of the committee as on March 31, 2025, is given below:

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

The details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee (till change in membership, wherever applicable)		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. M. Sivaraman*	From March 28, 2016, till April 25, 2024	Independent Director	1	1	NIL
2.	Mr. Abhijit Sen *	From November 09, 2018, till April 25, 2024	Independent Director	1	1	NIL
3.	Mr. N. Mohanraj*	From March 28, 2016, till April 25, 2024	Independent Director	1	1	NIL
4.	Mr. Suresh Subramanian	From January 30, 2024, till date	Independent Director	8	8	NIL
5.	Ms. Priyamvada Ramkumar	From January 30, 2024, till August 13, 2024	Nominee Director	2	2	NIL
6.	Mr. Mathew Joseph	From April 25, 2024, till date	Independent Director	8	8	NIL
7.	Mr. Sankarson Banerjee	From April 25, 2024, till date	Independent Director	8	8	NIL
8.	Mr. Parin Mehta	From August 13, 2024, till date	Nominee Director	6	5	NIL

#Mr. M. Sivaraman, Mr. Abhijit Sen and Mr. N Mohanraj, has ceased to be Independent Director with effect from May 21, 2024.

During the year ended March 31, 2025, eight (8) meetings of the Committee were held on April 25, 2024, August 12, 2024, September 06, 2024, October 29, 2024, January 09, 2025, January 17, 2025, February 05, 2025, March 03, 2025.

II. Nomination and Remuneration Committee:

Terms of Reference:

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

(a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company ("Board") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy"). The Nomination and Remuneration Committee, while formulating the Remuneration policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(b) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such a description. For the purpose of identifying suitable candidates, the Committee may

i. use the services of an external agencies, if required

ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

iii. consider the time commitments of the candidates

(c) formulation of criteria for evaluation of performance of independent directors and the Board;

(d) To review the results of the Board performance evaluation process that relate to the composition of the Board;

(e) devising a policy on Board diversity;

(f) identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

(g) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(h) Ensuring 'fit and proper' status of the proposed and existing directors and scrutinising the declarations received by the directors in this regard.

(i) recommend to the Board, all remuneration, in whatever form, payable to senior management; and

(j) To work closely with risk management committee to achieve effective alignment between compensation and risks

(k) carrying out any other activities as may be delegated by the Board and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

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

(a) administering the employee stock option plans of the Company, as may be required;

(b) determining the eligibility of employees to participate under the employee stock option plans of the Company;

(c) granting options to eligible employees and determining the date of grant;

(d) determining the number of options to be granted to an employee;

(e) determining the exercise price under the employee stock option plans of the Company; and

(f) construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.

Performance Evaluation of Board, its Committees and Directors

As per the provisions of the Companies Act, 2013 and Directors Appointment, Remuneration and Evaluation Policy, the Board has carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. A structured exercise was carried out based on the criteria for evaluation forming part of the Directors Appointment, Remuneration and Evaluation Policy, which includes a framework to evaluate the performance of Directors, Board and Committees, Criteria for Evaluation. Further, the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committee, attendance at meetings, Board culture, duties of directors, and governance were reviewed.

Composition & Meetings

The Nomination and Remuneration Committee was reconstituted in the Board Meetings held on April 25, 2024, and August 13, 2024.

The composition of the committee as on March 31, 2025, is given below:

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

The details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee (till change in membership, wherever applicable)		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Abhijit Sen*	From November 09, 2018, till April 25, 2024	Independent Director	1	1	NIL
2.	Mr. N. Mohanraj*	From March 28, 2016, till April 25, 2024	Independent Director	1	1	NIL
3.	Mr. Parin Mehta	From March 24, 2022, till August 13, 2024	Nominee Director	2	2	NIL
4.	Mr. Sudhir Narayanankutty Variyar	From January 30, 2024, till date	Nominee Director	6	5	NIL
5.	Mr. Mathew Joseph	From January 30, 2024, till date	Independent Director	6	6	NIL
6.	Mr. Suresh Subramanian	From April 25, 2024, till date	Independent Director	6	6	NIL
7.	Ms. Susan Thomas	From August 13, 2024, till date	Independent Director	4	4	NIL

*Mr. Abhijit Sen and Mr. N Mohanraj, has ceased to be Independent Director with effect from May 21, 2024.

During the year ended March 31, 2025, six (6) meetings of the Committee were held on April 25, 2024, July 16, 2024, September 06, 2024, January 09, 2025, and March 03, 2025, and March 20, 2025.

III. Corporate Social Responsibility Committee:

Terms of Reference:

(a) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Schedule VII of Companies Act, 2013 as may be amended or modified from time to time;

(b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;

(c) To monitor the CSR policy of the Company from time to time;

(d) To formulate and recommend to the Board, an annual action plan;

(e) To review the CSR project/initiatives from time to time;

(f) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Composition & Meetings:

The Corporate Social Responsibility Committee was reconstituted in the Board Meetings held on April 25, 2024, and August 13, 2024.

The composition of the committee as on March 31, 2025, and the details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. N. Mohanraj*	From June 20, 2018, till April 25, 2024	Independent Director	0	0	NIL
2.	Mr. M. Sivaraman*	From June 20, 2018, till April 25, 2024	Independent Director	0	0	NIL
3.	Mr. Mathew Joseph	From April 25, 2025 till August 13, 2024	Independent Director	0	0	NIL
4.	Mr. Sudhir Variyar	From April 25, 2024 till date	Nominee Director	2	2	NIL
5.	Ms. Susan Thomas	From August 13, 2024 till date	Independent Director	2	2	NIL
6.	Mr. D. Arulmany	From June 20, 2018, till date	MD & CEO (Executive)	2	2	1,24,49,491

#Mr. N Mohanraj and Mr. M. Sivaraman, has ceased to be Independent Director with effect from May 21, 2024.

During the year ended March 31, 2025, two (2) meetings of the Committee were held on September 06, 2024, and March 20, 2025.

IV. IT Strategy Committee:

Terms of Reference:

(a) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;

(b) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;

(c) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;

(d) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;

(e) Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

(f) Any other matter as the IT Committee may deem appropriate or as may be directed by the Board of Directors from time to time.

Composition & Meetings:

The IT Strategy Committee was reconstituted in the Board Meeting held on April 25, 2024.

The composition of the committee as on March 31, 2025, and the details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Abhijit Sen*	From July 18, 2018, till April 25, 2024	Independent Director	0	0	NIL
2.	Mr. D. Arulmany	From October 08, 2020, till date	MD & CEO (Executive)	4	4	1,24,49,491
3.	Mr. Parin Mehta	From March 24, 2022, till date	Nominee Director	4	2	NIL
4.	Mr. J. Prakash Rayen	From July 18, 2018, till date	Chief People Officer & CISO (Employee)	4	4	18,75,000
5.	Mr. S. Parthiban	From July 18, 2018, till date	EVP & Chief Technology Officer (Employee)	4	4	73,122
6.	Mr. Sankarson Banerjee	From April 25, 2024 till date	Independent Director	4	4	NIL

#Mr. Abhijit Sen has ceased to be Independent Director with effect from May 21, 2024.

During the year ended March 31, 2025, four (4) meetings of the Committee were held on June 28, 2024, September 26, 2024, December 17, 2024, and March 19, 2025.

V. Stakeholders Relationship Committee:

Terms of Reference:

(a) resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

(b) review of measures taken for effective exercise of voting rights by shareholders;

(c) review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

(d) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

(e) The Committee shall act as the Customer Service Committee / Consumer Protection Committee for the purposes of extant RBI guidelines and shall determine the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman / Deputy Internal Ombudsman

(f) carrying out any other functions required to be carried out by the Stakeholders Relationship Committee as contained in the Companies Act, SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Composition & Meetings:

The Stakeholder Relationship Committee was reconstituted in the Board Meetings held on April 25, 2024, and August 13, 2024.

The composition of the committee as on March 31, 2025, and the details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. M. Sivaraman*	From July 18, 2018, till April 25, 2024	Independent Director	1	1	NIL
2	Mr. N. Mohanraj*	From July 18, 2018, till April 25, 2024	Independent Director	1	1	NIL
3	Mr. D. Arulmany	From November 09, 2018, till date	MD & CEO (Executive)	4	4	1,24,49,491
4	Mr. Mathew Joseph	From April 25, 2024, till August 13, 2024	Independent Director	1	1	NIL

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
5	Ms. Priyamvada Ramkumar	From April 25, 2024, till date	Nominee Director	3	3	NIL
6	Mr. Raj Vikash Verma	From August 13, 2024, till date	Independent Director	2	2	NIL
7	Ms. Susan Thomas	From August 13, 2024, till date	Independent Director	2	2	NIL

*Mr. M. Sivaraman and Mr. N. Mohanraj, has ceased to be Independent Director with effect from May 21, 2024.

During the year ended March 31, 2025, four (4) meetings of the Committee were held on April 25, 2024, August 08, 2024, October 28, 2024, and February 04, 2025.

VI. Risk Management Committee:

Terms of Reference:

(a) Put in place the risk assessment process to identify significant business, operational, financial, compliance, interest, IT, market, legal, liquidity, outsourcing and other risks associated with the business of the Company;

(b) Identification, monitoring and measurement of the risk profile of the Company;

(c) Framing, implementing, reviewing and monitoring the risk management plan including cyber security for the Company and evaluating the adequacy of risk management system.

(d) Formulate a detailed risk management policy which shall include:

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

  (2) Measures for risk mitigation including systems and processes for internal control of identified risks.

  (3) Business continuity plan

  (4) Internal Capital Adequacy Assessment Process

(e) Periodically reviewing the risk management policy, including the evolving industry dynamics and market conditions

(f) Approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing and the policies that apply to such arrangements

(g) Review of risk assessment results and ensure that these are appropriately and adequately mitigated and monitored;

(h) Monitor the progress in implementation of risk mitigation strategies including the status of risk assessment program;

(i) Periodic review of data for Credit and Portfolio Risk Management.

(j) Periodic review of data for Operational and Process Risk Management.

(k) Laying down guidelines on KYC norms.

(l) The committee to review the minutes of the Asset Liability Management Committee.

(m) To prescribe and monitor the limits of credit exposures including unsecured consumer credit exposures and monitoring the same on an ongoing basis.

(n) To review and recommend the appointment / reappointment/removal of the Chief Risk Officer and their performance appraisal in consultation with the Nomination and Remuneration Committee

(o) Recommending such items and matters to the Board for their consideration and approval/ratification as may be required from time to time.

(p) Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, 2013, the SEBI Listing Regulations, RBI Master Directions, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority from time to time.

Composition & Meetings:

The Risk Management Committee was reconstituted in the Board Meetings held on April 25, 2024, and August 13, 2024.

The composition of the committee as on March 31, 2025, is given below:

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

The details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee (till change in membership, wherever applicable)		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Abhijit Sen	From November 09, 2018, till April 25, 2024	Independent Director	1	1	NIL
2.	Mr. D. Arulmany	From November 09, 2018, till date	MD & CEO (Executive)	4	4	1,24,49,491
3.	Ms. Priyamvada Ramkumar	From June 15,2020 till date	Nominee Director	4	4	NIL
4.	Mr. Sudhir Narayanankutty Variyar	From January 30, 2024, till date	Nominee Director	4	3	NIL
5.	Mr. Mathew Joseph	From January 30, 2024, till date	Independent Director	4	4	NIL
6.	Mr. Sankarson Banerjee	From August 13, 2024, till date	Independent Director	2	2	NIL

#Mr. Abhijit Sen has ceased to be Independent Director with effect from May 21, 2024.

During the year ended March 31, 2025, four (4) meetings of the Committee were held on April 24, 2024, August 09, 2024, October 28, 2024 and February 19, 2025.

VII. Resources & Business Committee:

Resource Related:

(a) To consider and allot Non - Convertible Debentures ("NCDs") from time to time, to one or more subscribers, in one or more tranches on such terms and conditions as deemed fit, subject however that the total amount of NCDs so issued during a financial year shall not exceed the limits approved by the Board from time to time.

(b) To consider and approve Securitization and Direct Assignment arrangements on such terms and conditions as it thinks fit and to authorize carrying out of all actions connected therewith including appointment of legal counsel, Credit Rating agency for rating the pool of receivables and appointment of trustee for the securitisation trust, subject however that the total amount of Securitization and Direct Assignment arrangements so undertaken during a financial year shall not exceed the limits approved by the Board from time to time.

(c) To consider, negotiate, enter, approve, and grant authorization for undertaking and/or executing derivative transactions/contracts/agreements including but not limited to spots and forwards as well as FX and interest rate derivative transactions like FX options, Interest Rate and Currency Swaps, Interest rate Options, all types of Structured Derivatives and Cost Reduction Structures, including third currency hedges, i.e., hedging in currency different from that of the underlying exposure, or any combinations of these derivative products or any other derivative products as permitted by Reserve Bank of India from time to time, for the purpose of mitigation of risks on foreign currency and interest rate exposure of the Company and to give instructions to any bank/ banker regarding purchase/sale/cancellation and other dealings relating to such derivative transactions on behalf of the Company.

Business Related:

(4) To review the existing loan products and recommend new loan products to the board for approval.

(5) To review the credit policies of the loan products of the Company including setting and monitoring the limits for each loan product.

(6) Any loan to be given by the Company including loans against property, SME loans and other loans exceeding INR 1 crore to be approved by Resources & Business Committee.

(7) Any authorization to employees of the Company.

(8) Other authorizations as may be vested by the Board from time to time.

Composition & Meetings:

The Resources & Business Committee was reconstituted in the Board Meetings held on April 25, 2024, and August 13, 2024.

The composition of the committee as on March 31, 2025, is given below:

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

The details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. N. Mohanraj*	From November 09, 2018, till April 25, 2024	Independent Director	1	1	NIL
2.	Mr. D. Arulmany	From November 09, 2018, till date	MD & CEO (Executive)	6	6	1,24,49,491
3.	Ms. Priyamvada Ramkumar	From August 13, 2024, till date	Nominee Director	4	4	NIL
4.	Mr. Suresh Subramanian	From January 30, 2024, till date	Independent Director	6	6	NIL
5.	Mr. Parin Mehta	From April 25, 2024, till August 13, 2024	Nominee Director	2	2	NIL
6.	Mr. Mathew Joseph	From April 25, 2024, till date	Independent Director	5	5	NIL

*Mr. N Mohanraj has ceased to be Independent Director with effect from May 21, 2024.

During the year ended March 31, 2025, six (6) meetings of the Committee were held on April 24, 2024, June 18, 2024, July 29, 2024, September 30, 2024, December 16, 2024, and February 27, 2025.

VIII. IPO Committee

Terms of Reference:

(a) To take on record the number of Equity Shares proposed to be offered by the Selling Shareholder(s);

(b) To make applications to, seek clarifications, obtain approvals and seek exemptions from, where necessary, the SEBI, the Stock Exchanges, the Registrar of Companies, Tamil Nadu at Chennai ("RoC"), the relevant registrar of companies, the Reserve Bank of India, and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;

(c) To finalize, settle, approve, adopt and file, or resubmit, in consultation with the book running lead managers appointed for the Offer (the "BRLMs") where applicable, the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the Offer, the preliminary and final international wrap, abridged prospectus, and any amendments, supplements, notices, addenda or corrigenda thereto together with any summaries thereof as may be considered desirable or expedient

("Offer Documents"), and take all such actions as may be necessary for the submission and filing , including any resubmission (if applicable) of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with applicable laws;

d) To decide, negotiate and finalise in consultation with the BRLMs on the actual Offer size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including any reservation, green shoe option and any rounding off in the event of any oversubscription, the price band (including offer price for anchor investors), any revision to the price band, bid period, minimum bid lot for the purpose of bidding, final Offer price after bid closure, to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable law, determine the anchor investor portion, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer;

e) To appoint, instruct and enter into and terminate arrangements with the BRLMs, and in consultation with BRLM(s), appoint and enter into agreements with intermediaries including underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, sponsor bank(s), legal advisors, auditors, advertising agency, independent chartered accountants, industry expert, depositories, custodians, printers and any other agencies or persons or intermediaries in relation to the Offer, including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and remuneration of all such intermediaries/agencies including the payments of commissions, brokerages, etc.;

f) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary and final international wrap, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the Offer, agreement with the advertising agency in relation to the Offer, bid-cum-application forms, confirmation of allotment notes and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, advertising agency, stock exchange(s), BRLMs, and any other agencies/intermediaries in connection with the Offer, and any notices, supplements and corrigenda thereto, with the power to authorise one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;

(g) To decide, negotiate and finalize, in consultation with the BRLMs, all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with investors

(h) To authorise the maintenance of a register of holders of the Equity Shares;

(i) To seek, if required, the consent and/or waiver of the lenders of the Company, customers, suppliers, strategic partners, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;

(j) To open and operate bank accounts in terms of the cash escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, for handling of refunds, and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

(k) To determine the amount, the number of Equity Shares, terms of the issue of the equity shares, the categories of investors for the Pre-IPO Placement, if any including the execution of the relevant documents with the investors, in consultation with the BRLMs, and rounding off, if any, in the event of oversubscription and in accordance with applicable laws;

(l) To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including issue price for anchor investors), reservation or discount (if any), approve the basis of allotment and confirm allocation/allotment of the equity shares to various categories of persons as disclosed in the draft red herring prospectus, the red herring prospectus and the prospectus, in consultation with the BRLM(s) and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

(m) all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the price band, allow revision of the Offer portion [in case any Selling Shareholder decides to revise it], in accordance with the applicable laws;

(n) To authorise and approve in consultation with the BRLM(s), incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

(o) To determine the utilization of proceeds and accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;

(p) To approve code of conduct as may be considered necessary by the IPO Committee or as required under the Applicable Laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;

(q) To approve the implementation of any corporate governance requirements, code of conduct for the Board, officers and other employees of the Company that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under Applicable Laws;

(r) To finalise and issue receipts/allotment letters/ confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

(s) To undertake as appropriate such communication with the Selling Shareholders as required under applicable law, including inviting the existing shareholders of the Company to participate in the Offer by making an offer for sale in relation to such number of Equity Shares held by them as may be deemed appropriate, and which are eligible for the offer for sale in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), take all actions as may be necessary and authorised in connection with the Offer for Sale and to approve and take on record the approval of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and the transfer of Equity Shares in the Offer for Sale;

(t) To authorise and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer in accordance with the SEBI ICDR Regulations, Companies Act, as amended and other Applicable Laws;

(u) To issue advertisements in such newspapers and other media as it may deem fit and proper in accordance with the SEBI ICDR Regulations, Companies Act, 2013, as amended and other Applicable Laws;

(v) To decide the total number of Equity Shares to be reserved for allocation or transferred to eligible categories of investors the number of Equity Shares to be allotted or transferred in each tranche, issue price, premium amount, discount (as allowed under Applicable Laws), if any;

(w) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, in consultation with BRLMs, including without limitation, to determine the anchor investor portion and allocation to anchor investors, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, credit of Equity Shares to the demat accounts of the successful allottees, share certificates in accordance with the relevant rules, in consultation with the BRLMs in accordance with Applicable Laws;

(x) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/ or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorise one or more officers of the Company to execute all or any of the aforestated documents;

(y) To make in-principle and final applications for listing and trading of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary and to take all such other actions as may be necessary in connection with obtaining such listing;

(z) To settle all questions, difficulties or doubts that may arise in relation to the Offer, including issue, allotment, terms of the Offer, utilisation of the Offer proceeds and matters incidental thereto as it may deem fit;

(aa) To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, Tamil Nadu at Chennai and the relevant stock exchange(s) where the Equity Shares are to be listed;

(bb) To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;

(cc) To execute and deliver and/or to authorise and empower officers of the Company (each, an "Authorised Officer") for and on behalf of the Company to execute and deliver, on a several basis, any and all other documents or instruments and any declarations, affidavits, certificates, consents, agreements as well as amendments or supplements thereto as may be required from time to time or that the Authorised Officers consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar agreement, the depositories agreements, the offer agreement, the underwriting agreement, the syndicate agreement, the cash escrow and sponsor bank agreement and confirmation of allocation notes, with the BRLMs, syndicate members, bankers to the Offer, registrar to the Offer, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer, if any and any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee and/or Authorised Officer may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee and/or Authorised Officer shall be conclusive evidence of the authority of the IPO Committee and/or Authorised Officer and Company in so doing;

(dd) To decide, negotiate and finalise the pricing and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with Applicable Laws;

(ee) To if necessary, withdraw the draft red herring prospectus or the red herring prospectus or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLMs; and

(ff) To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

The IPO Committee was reconstituted in the Board meetings held on August 13, 2024, and December 19, 2024.

The details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Raj Vikash Verma	From August 13, 2024, till date	Independent Director	3	3	NIL
2.	Mr. D. Arulmany	From July 16, 2024, till date	MD & CEO (Executive)	3	3	1,24,49,491
3.	Ms. Priyamvada Ramkumar	From July 16, 2024, till date	Nominee Director	3	3	NIL
4.	Mr. Suresh Subramanian	From July 16, 2024, till date	Independent Director	3	3	NIL
5.	Mr. Parin Mehta	From July 16, 2024, till December 19, 2024	Nominee Director	0	0	NIL

During the year ended March 31, 2025, three (3) meetings of the Committee were held on January 09, 2025, January 17, 2025, and January 18, 2025.

IX. Business Impact Committee:

Terms of Reference:

(a) Oversight of the development and implementation of the developmental impact action plan of the Company hereinafter referred to as "DI Action Plan".

(b) Oversight of the development and implementation of the Environmental, social and governance action plan defining actions, responsibilities, budgets, deliverables, compliance indicators, and a timeframe for the measures required to remedy the known non-compliances with the Environmental, Social and Governance (ESG) Requirements in the business activities of the Company hereinafter to as "E&S Action Plan".

(c) Oversight of the establishment of the the overall management system of the Company dedicated to the systematic and structured improvement of environmental, social and governance performance,

targeted to identify and manage ESG risks and opportunities in both the Company's activities and in the loan and investment appraisal and management processes, integrated in the Company's organizational structure, planning activities, responsibilities, practices, procedures, processes and resources, which is referred to as ESG Management System which shall include compliance with the ESG requirements namely:

(1) examining ESG policies and procedures and their implementation and making recommendations for their improvement to the Board;

(2) providing half-yearly reports to the Board on any material issue that has arisen as a result of the operation of the ESG Management System since the last meeting and an explanation as to how it is being dealt with;

(3) considering half-yearly reports from the management on implementation of the E&S Action Plan;

(4) reviewing and recommending a report on annual basis to the Board on matters in relation to ESG;

(5) considering ESG assessment reports, action points arising out of any social and environmental impact assessments and project specific action plans;

(6) vetting new projects where there is deemed to be a material risk of violation of the ESG Requirements;

(7) recommending appointment of consultants to Board to investigate alleged breaches of ESG Requirements, ESG policies and procedures;

(8) ensuring that the Company has put in place adequate systems and resources (including employees of sufficient expertise and seniority) to understand and determine the applicability of the ESG Requirements to the Company and monitor the underlying ESG Laws, IFC Performance Standards as updated by IFC on their webpage http://www.ifc.org/PerformanceStandards and the convention of the International Labor Organization (ILO), the tripartite United Nations agency, whose conventions are available on their website http://www.ilo.org/global/standards/lang--en/index.html

(9) monitoring compliance of Clients with the ESG Standards

(10) Committee shall meet at least twice a year, to provide strategic guidance to deliver maximum impact and recommend development impact related initiatives to the Board.

Composition & Meetings:

The composition of the committee as on March 31, 2025, and the details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Gaurav Malhotra	From November 04, 2019, till date	Member	0	0	NIL
2	Mr. D. Arulmany	From January 29, 2018, till date	MD & CEO (Executive)	0	0	1,24,49,491
3	Mr. Kumareshan Sivam	From January 29, 2018, till date	Employee	0	0	55,115

During the year ended March 31, 2025, no meetings were held by the Company.

Terms of Reference of Committees of Management are as follows:

I. Assets Liability Committee:

Terms of Reference:

(a) Understanding business requirement and devising appropriate pricing strategies

(b) Management of profitability by maintain relevant Net interest margins (NIM)

(c) Ensuring Liquidity through maturity matching wherever feasible

(d) Maintain sufficient surplus to manage liquidity arising out of ALM mis-matches.

(e) Management of balance sheet in accordance with internal policies and applicable regulatory requirements.

vi. Ensure the efficient implementation of balance sheet management policies

vii. Review reports on liquidity, market risk and capital management.

viii. To identify balance sheet management issues that are leading to under-performance and ensure corrective action.

ix. Ensuring appropriate mix of different forms of debt i.e. Bank Loans, Commercial Paper, Non-Convertible Debentures, Securitization etc.

x. Approving major decisions affecting Veritas Finance's risk profile or exposure (product pricing for advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by peer NBFCs for the similar services/product, etc).

xi. Satisfy itself that the less fundamental risks are being actively managed, with the appropriate controls in place and working effectively.

xii. Articulate the current interest rate review and formulate future business strategy on this view.

xiii. Reviewing regulatory requirements having a bearing on Treasury activities (including any new regulatory requirements) and ALM returns submitted with RBI from time to time.

xiv. Derivative products to be used for hedging of foreign currency and interest rate risk if any.

Composition & Meetings:

The Asset Liability Committee was reconstituted in the Board Meetings held on April 25, 2024, and March 21, 2025.

The composition of the committee as on March 31, 2025, is given below:

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

The details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. D. Arulmany (Chairman)	From January 31, 2018, till date	MD & CEO (Executive)	12	12	1,24,49,491
2.	Mr. J. Prakash Rayen	From January 31, 2018, till date	Chief People Officer	12	11	18,75,000
3.	Mr. V. G. Suchindran#	From January 31, 2018, till August 19, 2024	Chief Financial Officer	5	4	NIL
4.	Mr. M. Mahesh	From July 18, 2018, till date	Senior Vice President - Treasury	12	12	20,576
5.	Mr. R. Vijay	From June 15, 2020, till date	Executive Vice President - Chief Risk Officer	12	11	11,014
6.	Ms. S.V. Laxmi	From August 05, 2021, till March 21, 2025	Deputy Vice President - Finance	8	8	NIL
7.	Mr. Christopher Robin	From April 25, 2024, till date	Chief Audit Officer	11	10	NIL
8.	Mr. Naveen Raj R*	From March 21, 2025 till date	Chief Financial Officer	0	0	NIL

Mr. V. G. Suchindran, Chief Financial Officer, resigned from the Company effective September 13, 2024.

* Mr. Naveen Raj R, was appointed as the Chief Financial Officer effective March 03, 2025.

During the year ended March 31, 2025, twelve (12) meetings of the Committee were held on April 17, 2024, May 15, 2024, June 17, 2024, July 16, 2024, August 19, 2024, September 17, 2024, October 17, 2024, November 15, 2024, December 17, 2024, January 28, 2025, February 18, 2025, and March 17, 2025.

II. IT Steering Committee:

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

Terms of Reference:

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

IT Project Planning & Monitoring:

(a) Defining project priorities and assessing strategic fit for IT proposals

(b) Defining project success measures and following up progress on IT projects

IT Architecture & IT Security:

(a) Consult and advice on the selection of technology within standards.

(b) Provide direction relating to technology standards and practices.

(c) Ensure that vulnerability assessments of new technology are performed

(d) Consult and advice on the application of architecture guidelines.

(e) Provide direction to IT architecture design and ensure that the IT architecture reflects the need for legislative and regulatory compliance, the ethical use of information and business continuity.

IT Governance:

(a) Performing portfolio reviews for continuing strategic relevance

(b) Reviewing, approving and budget initiatives, after assessing value-addition to business process.

(c) Ensuring that all critical projects have a component for "project risk management.

(d) Sponsoring or assisting in governance, risk, and control framework, and directing and monitoring key IT Governance processes.

(e) Verify compliance with technology standards and guidelines.

(f) Ensure compliance to regulatory and statutory requirements.

Composition & Meetings:

The composition of the committee as on March 31, 2025, is given below:

Name of the Members	Designation
Mr. J. Prakash Rayen	Chief People Officer
Mr. S. Parthiban	Executive Vice President - Chief Technology Officer
Mr. K. Kannan	EVP & Business Head – MSME Rural
Mr. Sekhar Vikas	EVP & Business Head – MSME Urban
Mr. Sankar Annamalai	EVP & Business Head – Home Loan
Mr. Sathish R	EVP & Business Head – Vehicle Finance
Mr. R. Vijay	Chief Risk Officer

III. Information Security Committee

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

Terms of Reference:

(a) Development of information/cyber security policy.

(b) Approve and monitor InfoSec projects and security awareness initiatives.

(c) Review the cyber incidents, IS audit observations, monitoring, and mitigation.

(d) Update ITSC periodically on the activities of ISC.

Composition & Meetings:

The composition of the committee as on March 31, 2025, is given below:

Name of the Members	Designation
Mr. R. Vijay	Chief Risk Officer
Mr. J. Prakash Rayen	Chief People Officer
Mr. S. Parthiban	Chief Technology Officer
Mr. K. Kannan	Business Head – MSME Rural
Mr. Sekhar Vikas	Business Head – MSME Urban
Mr. Sankar Annamalai	Business Head – Home Loan
Mr. Sathish R	Senior Vice President - Business Head - Vehicle Finance

IV. Operational Risk Management Committee

Terms of Reference:

(a) Identifying and assessing the materiality of Operational Risks inherent in their respective business units through the use of Operational Risk Management tools

(b) Establishing appropriate controls to mitigate inherent Operational Risks, and assessing the design and effectiveness of these controls through the use of the Operational Risk Management tools

(c) Reporting whether the business units lack adequate resources, tools and training to ensure identification and assessment of Operational Risks

(d) Identification of KRI across people, process and systems

(e) Review and monitor data from respective SPOCs of all function on monthly basis

(f) Review KRIs on quarterly basis, status update on Risk Register Action items and outcome to be updated to RMC

(g) Items such as Third-Party management, BCP/DR & Incident Management, Info security & Cyber risk shall be discussed as part of IT Steering committee

Composition & Meetings:

The composition of the committee as on March 31, 2025, is given below:

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

V. Change Management Committee

Terms of Reference:

a) Change management shall assess the evolution of associated risks across time, from inception to termination

b) Any new or change in processes, systems and new products, entering a new geography or region, implementing new or modifying the technology (applicable for all functions)

c) Any challenges or disruptions in the changes implemented already

d) To leverage change management capabilities in accordance with the change management processes as a way to assess potential effects on the delivery of critical operations and their interconnections and interdependencies for ensuring operational resilience

Composition & Meetings:

The composition of the committee as on March 31, 2025, is given below:

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

VI. Ethics and Code of Conduct Committee

Terms of reference:

The purpose of Ethics/Code of Conduct committee is to

(1) To ensure adherence of Ethics and Code of Conduct policy

(2) To Review the policy

(3) To provide guidance on ethical dilemmas, and ensuring compliance with ethical standards and policies

(4) To promote prompt internal reporting of violations and suspected violations

(5) To raise awareness of acceptable and unacceptable behaviour, and through this endeavour to avoid any real or perceived misconduct

(6) To ensure that all are aware of the potential internal and external disciplinary actions, legal actions and sanctions that may follow unacceptable behaviours

(7) Assist the Disciplinary Committee in undertaking appropriate disciplinary actions in instances of violations of the Code

(8) Ethical training and status of such training

(9) Ethics committees ensure that the organization adheres to ethical and legal standards, reducing the risk of legal consequences

Composition & Meetings:

The composition of the committee as on March 31, 2025, is given below:

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

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

Terms of Reference:

The purpose of SCMF is:

i. To analyse frauds, potential losses, non-compliance, breaches etc. and recommend corrective measures to prevent recurrences

ii. Reviewing fraudulent and potential fraudulent transactions

iii. To oversee the effectiveness of the fraud risk management framework.

iv. To review and monitor cases of frauds covering the categories/trends of frauds, industry/sectoral/ geographical concentration of frauds, delay in detection/classification of frauds and delay in examination/conclusion of staff accountability, etc.

v. To do root cause analysis on the cases of frauds, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.

vi. To periodically review the pending fraud cases of the Company on a quarterly basis.

vii. To oversee the implementation of the fraud risk management policy approved by the Board of the Company.

Composition & Meetings:

The composition of the committee as on March 31, 2025, is given below:

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

VIII. Whistle Blower Enquiry Team

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

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

Name of the Members	Designation
Mr. D. Arulmany	MD & CEO
Mr. J. Prakash Rayen	Chief People Officer
Ms. V. Aruna	Company Secretary and Compliance Officer

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

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

(i) The Identification Committee (IC)

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

Chairperson	Mr. J. Prakash Rayen, Chief People Officer
Member	BH's of the respective vertical
Member	Chief Risk Officer
Member	Collection Head of respective vertical

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

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

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

(ii) The Review Committee (RC)

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

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

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

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

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

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

As on March 31, 2025, no borrower of our Company has been identified as a wilful defaulter.

Disclosures

Remuneration of Non-Executive Directors

For FY 2024-25, the Company paid sitting fees of INR 25,000/- to Independent Directors for attending for every Board meeting and INR 25,000/- for every meeting of Committees constituted by the Board, as decided, in the Board Meeting held on April 25, 2024. Effective September 06, 2024, as determined by the Board, the sitting fees to Independent Directors was revised to INR 60,000/- for every Board and Audit Committee Meeting and INR 50,000/- for every meeting of the other committees constituted by the Board.

The annual commission was also paid for all the Independent Directors as per the policy and the approval of the Nomination and Remuneration Committee.

The details of the remuneration paid to Directors during the financial year 2024-25 are as follows:

Name of the Independent Director	Sitting Fees (Amount in ₹)		Commission (Amount in ₹)
	Board	Committees	
Mr. Abhijit Sen	25,000	75,000	-
Mr. M. Sivaraman	25,000	50,000	-
Mr. N. Mohanraj	25,000	1,00,000	-
Mr. Mathew Joseph	5,20,000	10,00,000	20,00,000.00
Mr. Suresh Subramanian	5,80,000	10,00,000	20,00,000.00
Mr. Sankarson Banerjee	5,20,000	6,75,000	20,00,000.00
Mr. Raj Vikash Verma	5,30,000	3,00,000	30,00,000.00
Ms. Susan Thomas	5,30,000	4,00,000	20,00,000.00
Total	**27,55,000**	**36,00,000**	**1,10,00,000.00**
Grand Total			

General Body Meetings

During the period from April 01, 2024, to March 31, 2025, apart from the Annual general meeting (AGM), three Extra-ordinary General Meetings (EGM) were held as per details given below:

Type of meeting	Date	Time	Venue	Special resolutions passed
AGM	10.06.2024	10:00 am	Registered office of the Company	• To approve the reclassification of authorized share capital and consequent alteration of memorandum of association (MOA). • To approve the conversion of status from private limited company to public limited company. • To approve the alteration in the memorandum of association of the company • To approve the alteration in the articles of association of the company

Type of meeting	Date	Time	Venue	Special resolutions passed
EGM	20.04.2024	10:00 am	Registered office of the Company	• Appointment of Mr. Sankarson Banerjee (DIN: 07407346) as the Independent Director of the Company • To increase the borrowing powers of the Board of Directors • Authorization for issuance and allotment of redeemable non-convertible debentures • To undertake the transaction(s) for Securitization/Selling/ Transfer/Direct Assignment of its receivables/book debts
EGM	30.09.2024	10:00 am	Video Conferencing/ Other Audio Visual Means Deemed venue: Registered office of the Company	• Appointment of Mr. Raj Vikash Verma (DIN: 03546341) as the Independent Director and Non-Executive Chairman of the Company • Appointment of Ms. Susan Thomas (DIN: 09760548) as the Independent Director of the Company. • Consideration and approval of interchange in limits of the borrowing powers of the Board of INR 7000 Crores (Rupees Seven Thousand Crores only) for FY 2024-25 • Authorization for issuance and allotment of redeemable non-convertible debentures
EGM	13.01.2025	10:00 am	Registered office of the Company	• Adoption of a new set of Articles of Association of the Company. • Initial Public Offer of Equity Shares of the Company • Amendment of VERITAS Employee Stock Option Scheme, 2016 • Amendment of VERITAS Employee Stock Option Scheme, 2018 • Amendment of VERITAS Employee Stock Option Scheme, October 2018 • Amendment of VERITAS Employee Stock Option Scheme, 2021 • Amendment of VERITAS Employee Stock Option Scheme, 2024 • Extension of the Veritas Employees Stock Option Scheme, 2016 to the employees of the Company's group companies

Type of meeting	Date	Time	Venue	Special resolutions passed
				• Extension of the Veritas Employees Stock Option Scheme, 2018 to the employees of the Company's group companies • Extension of the Veritas Employees Stock Option Scheme, October 2018 to the employees of the Company's group companies • Extension of the Veritas Employees Stock Option Scheme, 2021 to the employees of the Company's group companies • Extension of the Veritas Employees Stock Option Scheme, 2024 to the employees of the Company's group companies • Change in remuneration of Mr. D. Arulmany (holding DIN: 00009981), Managing Director and CEO due to impact of amendment in Car Scheme Policy

The Annual General Meeting for the last three years were held on May 27, 2022, and June 28, 2023, June 10, 2024, respectively.

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

Separate posts of Chairperson and Managing Director/ Chief Executive Officer

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

Risk Management

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

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

A detailed report on the Risk Management framework of the Company is attached separately as part of the Annual Report.

Regulatory & Statutory Compliances

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

The Company has also been following provisions of the Companies Act, 2013, including the applicable Secretarial Standards issued by ICSI, applicable accounting standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, Reserve Bank of India Act, 1934, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, Other RBI Guidelines, Goods and Services Tax Act, 2017, The Income Tax Act, 1961, the applicable labour laws and other applicable statutory requirements.

Pursuant to the resolution passed by the Board of Directors on December 19, 2024, considering the extant regulations of Securities Exchange Board of India, the Company does not have any identifiable promoter in terms of Companies Act, 2013. Accordingly, the Company was reclassified as a Professionally Managed Company and the e-Form MGT-7 for FY 2023-24 was re-filed in December 2024 with MCA. There were also few forms filed with MCA on payment of requisite additional fees.

Details of penalties and strictures

During the financial year ended March 31, 2025, the following penalty was imposed on the Company:

Name of the regulator	Amount (in ₹)	Description
Employees State Insurance Corporation (ESIC)	INR 1554/-	Due to technical glitch, the Company was unable to do the remittance for the period Feb'21 - Jun'21. Further, the issue was resolved, and the payments were remitted on August 19, 2023. In this regard, the Company received a notice in February 2024 to pay the interest and penalty for the delayed payment. Hence, the Company has made a payment of INR 1554/- against the C-18 (interest) and D-18 (damage) on June 25, 2024.
Professional tax (PT)	NA	Delay in remittance of dues relating to professional tax in 5 instances with delays ranging up to 4 months due to technical issues around payment portal.

Quarterly Compliance Report

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

Related Party Transactions

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

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

Other Disclosures:

Code for Prevention of Insider Trading Practices

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

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

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

Compliance Officer for LODR requirements

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

Name of the Compliance Officer: Ms. V. Aruna,

Designation: Company Secretary & Compliance officer

Shareholder complaints:

During FY 2024-25, the Company received NIL shareholder complaints under SEBI Complaints Redressal System (SCORES) and to the Company's Compliance Officer.

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

SEBI vide circular dated May 30, 2022 ("SOP Circular-2022") had introduced Standard Operating Procedures (SOP) for dispute resolution under the Stock Exchange arbitration mechanism for disputes between a Listed Company and/or Registrars to an Issue and Share Transfer Agents (RTAs) and its Shareholder(s)/Investor(s). The Arbitration Mechanism was mandated to be initiated post exhausting all actions for resolution of complaints including those received through SCORES Portal. SEBI thereafter, vide Circular dated July 31, 2023, read with Master circular dated December 20, 2023, as amended, expanded the scope of investors complaints and by establishing a common Online Dispute Resolution Portal ('ODR Portal') which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. For detailed processes, the said circulars can be viewed on the Company's website at the following link https://www.veritasfin.in/investor-grievance.php

Website

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

Listing on stock exchanges: The Non-convertible debt securities of the Company are listed on the debt market segment of BSE Limited and National Stock Exchange Limited. Annual listing fees, as prescribed, have been paid to the stock exchanges up to March 31, 2025.

The Company has filed Draft Red Herring Prospectus dated January 18, 2025, in order to get the shares listed in stock exchange.

Shareholding pattern as on March 31, 2025

Equity Shares:

Category	Number of Shares	% of total
Founder & Relatives	1,29,49,491	9.86%
Resident Individual Investors	4,95,594	0.37%
Non-Resident Individual Investors holding shares on non-repatriation basis	82,92,367	6.32%
Employees & their Relatives	30,16,125	2.30%
Institutional Investors and their affiliates	10,65,30,632	81.15%
Total	**13,12,84,209**	**100%**

Address for Correspondence:

Veritas Finance Limited

(Formerly known as Veritas Finance Private Limited)

SKCL Central Square 1, 7th Floor, South & North Wing, Unit # C28-C35,

CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600032

Tel.: +91 44 4615 0011

E-mail: corporate@veritasfin.in
Website: http://www.veritasfin.in

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

sd/-
Raj Vikash Verma
Chairman and Independent Director
DIN: 03546341
Place: Gurgaon
Date: April 30, 2025

sd/-
D. Arulmany
Managing Director & CEO
DIN: 00009981
Place: Chennai
Date: April 30, 2025

Management Discussion and Analysis

Economy Overview

Global Economy[1]

The global economy showed resilience in CY 24, achieving a growth rate of 3.3% despite challenges from geopolitical conflicts, trade tensions and shifts in monetary policy. The US economy maintained robust performance, supported by strong business activities and high employment, while Europe, especially Germany, observed subdued growth due to weak manufacturing sector and low exports. Driven by strong local demand and increased foreign investment, Emerging Market and Developing Economies (EMDEs) performed better than developed countries, growing at 4.3% as compared to 1.8%. Asia's export-led growth model also delivered unprecedented prosperity, accounting for nearly 60% of global growth in CY 2024.[2] However, China's growth moderated to 5% owing to subdued consumption and overcapacity issues.

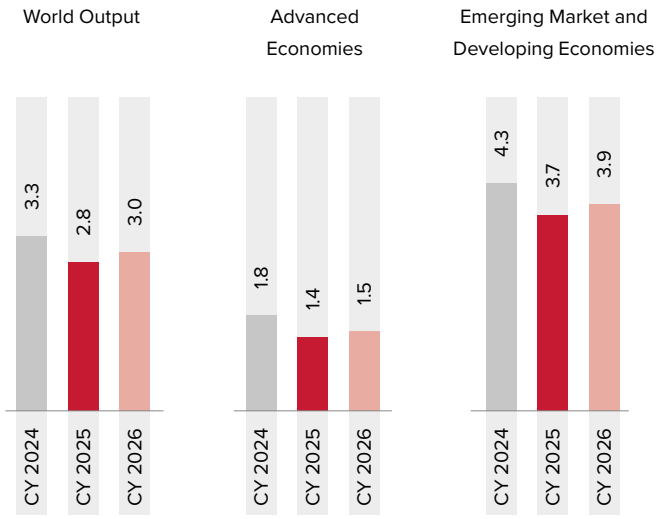
A decrease in global inflation from 6.6% in CY 2023 to 5.7% in CY 2024 contributed to price stabilisation and economic growth. Driven by smart monetary policies and steady energy supplies, this decline in inflation helped in boosting business confidence.

Outlook

The global economy is set to achieve a moderate growth rate of 2.8% in CY 2025 and 3.0% in CY 2026, supported by a gradual decrease in inflation and effective monetary policies by central banks. Emerging markets' growth is likely to moderate at 3.7%, while developed countries are expected to grow steadily, reaching 1.4% growth in CY 2025. With inflation projected to decline to 4.2% in CY 2025 and 3.5% in CY 2026, it is anticipated to increase consumer spending.

It is further expected that despite geopolitical turmoil; smart government spending and careful budgeting will play a crucial role in bolstering economic strength. Looking forward, the global economy landscape presents both challenges and opportunities. A keen policy in balancing trade-offs between inflation and real activity, rebuilding buffers and lifting medium-term growth prospects will lead towards a more balanced future.

Global Real GDP Growth Projection (%)



*Projected

Source: IMF World Economic Outlook 2025

Indian Economy[3]

The Indian economy maintained its position as one of the fastest-growing major economies, achieving 6.5% GDP growth in FY 2024-25.[4] This growth can be primarily attributed to strong rural demand, strategic government initiatives and robust capital expenditure. For most of the year under review, CPI inflation remained under control, hovering around 4.8%, comfortably within the RBI's target range of 2-6%.

In a steadfast commitment of the Government towards 'Ease of Doing Business', the Indian government is proposing changes to soften compliance, expand services, build a strong regulatory environment and promote international and domestic investment. Further, the RBI reduced its repo rate from 6.5% to 6%, making borrowing easier and supporting private investments.

India maintained its fiscal deficit between 4.4% and 4.5% of GDP, helping in enhancing investment in areas such as housing, infrastructure and business-friendly reforms. Further, bank credit has grown at a steady rate with credit growth converging towards deposit growth. The banking sector exhibits improvement in asset quality, robust capital buffers and strong operational performance. With smart policies and strong investments, India is poised to sustain its growth momentum.

[1]https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025

[2]https://www.imf.org/en/Blogs/Articles/2025/04/24/asia-can-boost-economic-resilience-amid-surging-trade-tensions

[3]https://www.rbi.org.in/Scripts/BS_ViewBulletin.aspx

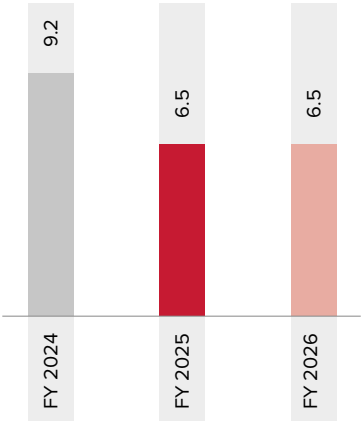
[4]https://pib.gov.in/PressReleasePage.aspx?PRID=2106921#

Outlook

India's economy will remain supported by the Government's efforts to accelerate growth, secure inclusive development and invigorate private sector investments. With recent tax cuts, it is anticipated to boost middle-class household savings and consumption. Further, as inflation declines, it is expected to bolster consumer spending and support economic growth.

The government is streamlining business operations by reducing regulations and encouraging private investment, aiming to create a more conducive environment for economic growth and development. Sectors such as retail and digital services are well-positioned for significant growth due to rising disposable incomes and increased internet access, driving demand for both goods and services. With rising investor trust and robust government support, India's future looks optimistic.

GDP growth trend in India (%)



*Projected

Source: MoSPI Second Advances Estimates

Industry Overview

Non-Banking Financial Sector[5]

The Indian Non-Banking Financial Companies (NBFCs) sector is experiencing robust growth, driven by a rising middle class, enhanced focus on financial inclusion and supportive government policies. These institutions cater to underserved segments, offering services in areas such as business loans, housing finance, microfinance and consumer finance. The ability to understand diverse customer needs and provide tailored products has resulted in their increased contribution to the nation's economic growth.

The adoption of digital technologies has further enabled NBFCs to streamline operations and enhance customer experiences. By leveraging tools such as super apps, data analytics and digital platforms, NBFCs have improved processes in credit assessment, loan disbursement and collections.

MSME Industry[6]

The Micro, Small, and Medium Enterprises (MSMEs) sector is a vital part of India's economy, significantly contributing to employment, manufacturing and exports. As of April 2025, approximately 6.24 crores MSMEs were registered on the Udyam Registration Portal and Udyam Assist Platform, providing employment to over 23.47 crores individuals.[7]

The export performance of MSMEs has recorded substantial growth, with exports rising from INR 3.95 lakhs crores in FY 2020-21 to INR 12.39 lakhs crores in FY 2024-25. The number of exporting MSMEs also increased significantly, from ~ 53,000 in FY 2020-21 to ~ 1,73,000 in FY 2024-25. Their share in India's total exports grew to 45.79% by May 2024, showing their expanding role in global trade.

To support and enhance the growth of the MSME sector, the Indian government has implemented various initiatives. The Union Budget 2025-26 introduced measures such as increasing the credit guarantee cover for micro and small enterprises from INR 5 crore to INR 10 crores, facilitating additional credit of INR 1.5 lakh crore over five years. Additionally, a new Fund of Funds with INR 10,000 crores was established to support startups and a scheme was launched to provide term loans up to INR 2 crores for first-time women, Scheduled Caste and Scheduled Tribe entrepreneurs. These efforts aim to improve innovation, enhance competitiveness and ensure better access to resources for MSMEs.

Housing Finance Industry[8]

The housing finance industry in India has observed steady growth over the last few years, driven by factors such as increasing urbanisation, a rise in nuclear families and supportive government schemes such as 'Housing for All'.

While banks primarily focus on higher-ticket loans to salaried customers with good credit profiles in metropolitan and urban areas, NBFCs focus on relatively smaller-ticket loans to customers, including the self-employed, in tier 2 and below cities, where lending is based on the assessed income model.

[5]https://assets.kpmg.com/content/dam/kpmgsites/in/pdf/2024/02/nbfcs-in-india-growth-and-stability.pdf.coredownload.inline.pdf

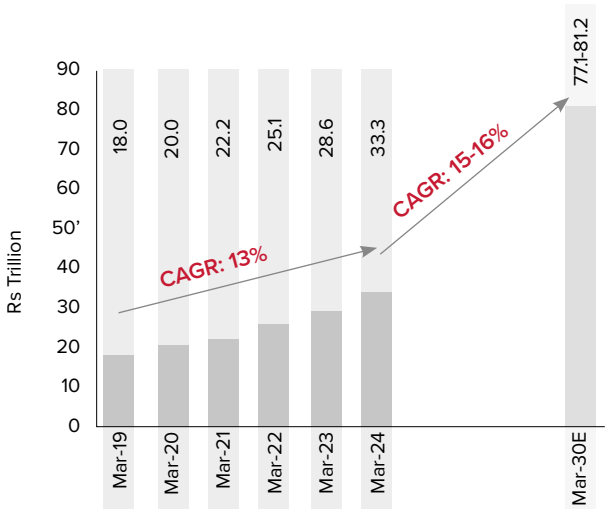
[6]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2099687

[7]https://udyamregistration.gov.in/Government-India/Ministry-MSME-registration.htm

[8]https://www.careratings.com/uploads/newsfiles/1743423679_Housing%20Finance%20-%20CareEdge%20Report.pdf

[9]https://www.nhb.org.in/wp-content/uploads/2025/04/Website-Publication-format-Feb25.pdf

Outstanding Housing Loans (HL) Market Size



Source: CareEdge Ratings

Vehicle Financing Industry[10]

The Indian vehicle finance industry is a significant segment of the financial services sector. The industry has experienced steady growth, with a compound annual growth rate (CAGR) of 11.49% from FY 2019-20 to FY 2023-24. This expansion is driven by increasing vehicle demand, particularly in tier II and III cities, where consumers are opting for longer loan tenures to manage higher vehicle costs. While banks traditionally focused on new vehicle financing, they are now expanding into the pre-owned vehicle segment to meet rising consumer demand. NFBCs have established a strong presence as well, especially in commercial vehicle financing.

The market is poised for significant expansion, with a projected CAGR of 16.35% from 2025 to 2030, driven by increasing adoption of electric vehicles (EVs) and favourable government initiatives such as FAME II. Despite a brief slowdown anticipated in 2025, the long-term outlook remains strong, particularly in the commercial vehicle finance segment, which stands to benefit from government-driven infrastructure investments. Further, a burgeoning middle class, coupled with increasing disposable income levels and rapid urbanisation, will drive the expansion of the auto finance market in India.

Opportunities

Credit Demand in Rural and Semi-Urban Areas

NBFCs have tremendous opportunity in the rural and semi-urban areas, as the majority of people lack access to traditional banking institutions. NBFCs can capitalise on this opportunity by offering easy loans, microfinance or vehicle finance services with flexible terms. These areas have growing demand, especially among first-time borrowers, small traders and farmers.

Digital Lending and Fintech Collaboration

With the increase in number of smartphone users and advancement of technology, more people are gaining access to internet banking. NBFCs can harness the power of technology to streamline loan processes with fewer documents and quicker approval. Further, partnerships with fintech companies will allow NBFCs to use tools such as AI and data analytics to better understand customers and reduce loan risks.

Support for Small Businesses and Startups

Many small businesses and startups do not qualify for loans from mainstream banks because they lack collateral or extensive financial data. NBFCs can capture this opportunity by tailoring services such as customised loans, invoice financing or working capital support.

Government and Regulatory Push for Financial Inclusion

The Indian government and the RBI are working to increase financial access for all citizens. NBFCs cater to underserved segments, driving financial inclusion. Further, government schemes such as Mudra loans and digital India initiatives give NBFCs more opportunities to grow, especially if they align their offerings with these programs.

Challenges

Limited Access to Low-Cost Funds

NBFCs do not have as many avenues to raise capital as banks do. Banks can accept deposits from the public, which enables them to lend at lower costs. However, NBFCs primarily depend on borrowing from banks or markets, which can be more expensive.

Rising Loan Defaults

When individuals or businesses do not repay their loans on schedule, NBFCs face challenges known as defaults. A rise in defaults reduces the capital available for NBFCs to extend new loans, which in turn affects their profitability and investor confidence.

Strict Regulatory Oversight

Over time, rules for NBFCs have become stringent, causing these institutions to follow more guidelines, similar to banks. While this enhances safety, it also increases operational costs and reduces flexibility.

[10]https://www.makreo.com/report/india-auto-finance-market-size-and-forecast-2019-2030

Company Overview

Veritas Finance Limited (formally known as Veritas Finance Private Limited) is focused on meeting the financial needs of MSMEs across India. With the vision to make borrowing easier, experienced finance professionals deliver services that drive financial inclusion.

Established in 2015 as a private limited company, with headquarters in Chennai, Tamil Nadu, Veritas became a public company in October 2024. Regulated by the RBI, the Company has recorded steady growth, offering secured loans to underserved segments, especially in rural and semi-urban regions.

The Company has remained committed to supporting entrepreneurship by enabling affordable credit. Veritas leverages expansive networks, personalised customer services and robust risk management practices to ensure both growth and asset quality. It also focuses on scaling its operations responsibly while creating long-term value for customers, investors and stakeholders.

The Company aims to reach MSME and salaried customers in semiurban and rural areas through the following products:

- **Secured: Medium term** – Rural Business Loans (Financial inclusion loans and Small Business Loans)
- **Secured: Long term** – Affordable Home Loans
- **Secured: Medium term** - Used Commercial Vehicle loans
- **Unsecured: Short-term -** Working Capital Loans

INR 7,349 crores

Total loan book

438 (excluding 70 service centres)

Total branches

211,000+

customers across various regions

Our Core Strengths

Knowing the Customers

The Company understands the distinctive aspirations and needs of rural and semi-urban Indian customers profoundly. Its customer-centric strategy allows it to devise and provide suitably aligned financial products matching their respective needs. Its product basket is diverse, comprising Rural Business Loans, Affordable Housing Loans, Used Commercial Vehicle Loans, and Unsecured Working Capital Loans. These products are designed to enable small enterprises and individuals, to boost their economic growth and financial inclusion across regions.

Strong and Competent Workforce

The Company's human capital, which is the major strength, consists of a total workforce of 7,796 as of March 2025 with a high "teeth-to-tail" ratio of around 43.80%. Its frontline workforce, who are well-trained and highly motivated, allows easy interaction with the customer, thus improving overall service level and creating long-term relationships.

Vast Geographical Reach

The Company operates in 10 states and 1 union territory, strategically covering India's southern, eastern, and central regions. With a strong network of 438 branches and 70 service centers, it extends its reach deep into rural and semi-urban areas. Such a wide presence not only enhances its reach but also makes the Company reliable financial partner for various communities across India.

Technology-Driven Efficiency of Disbursal

Utilizing online platforms and process automation, have created an effective mechanism for disbursing loans that brings a sharp decline in turnaround time. The technology-driven systems promote customers to enjoy quick approvals and prompt disbursement of funds. This operational agility boosts customer satisfaction and adds to better business performance through quick delivery of credit to the most deserving customers.

Portfolio Growth

Veritas has impacted the lives of over 211,000 customers, reflecting its growing footprint in the financial services sector. The Company's Loan book expanded significantly to INR 7,348.64 crores as of March 31, 2025, from INR 5,723.79 crores as of March 31, 2024, demonstrating robust year-on-year growth. The loan book continues to be largely secured, with Rural Business Loans accounting for the largest share at 69%, followed by Affordable Home Loans at 19%, and Used Commercial Vehicle Loans at 4%. Unsecured Working Capital Loans make up the remaining 7%, together showcasing a diversified portfolio.

Also, Veritas achieved total disbursements of INR 3,933 crores, as against disbursements of INR 3,702 crores in the previous year. This growth underscores the Company's sustained efforts in deepening its reach across rural and semi-urban markets while maintaining a disciplined credit strategy. The continued expansion in disbursements and portfolio composition reflects Veritas's

commitment to enabling financial inclusion and supporting the entrepreneurial aspirations of underserved communities through tailored credit solutions.

Disbursements and Loan book over the years since inception is given below:

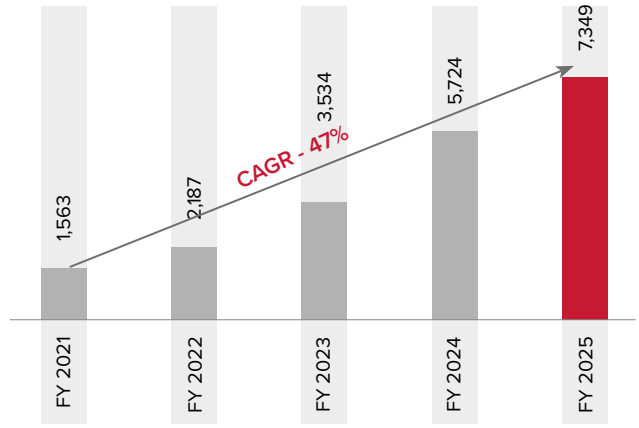
Disbursement

(INR in Crs)



Loan book Growth

(INR in Crs)

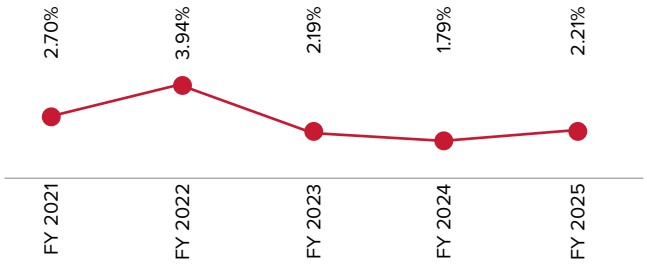


The customer segment has consistently demonstrated resilience, withstanding challenges such as demonetisation, the COVID-19 pandemic, and various natural calamities. This strength is evident in the quality of our portfolio. As of 31st March 2025, our 1+ DPD remained below 5%, while our Gross NPA stood at 2.21%.

The trend of GNPAs over the years has been as follows:

GNPA

(%)



Capital

The total capital available to the Company is a key indicator of its financial robustness and institutional strength. A strong capital base not only enhances the Company's resilience but also supports sustainable business expansion and risk management. As of March 31, 2025, the Company reported a capital adequacy ratio of 37.82%. This robust capital adequacy ratio reflects a consistent improvement in the Company's net-worth over the years, driven by sustained profitability, internal accruals, and efficient capital allocation. The continuous accretion to reserves has fortified the balance sheet and provided the Company with a strong foundation to absorb potential shocks, pursue growth opportunities, and maintain stakeholder confidence in dynamic market conditions.

Net-worth

(INR in Crs)

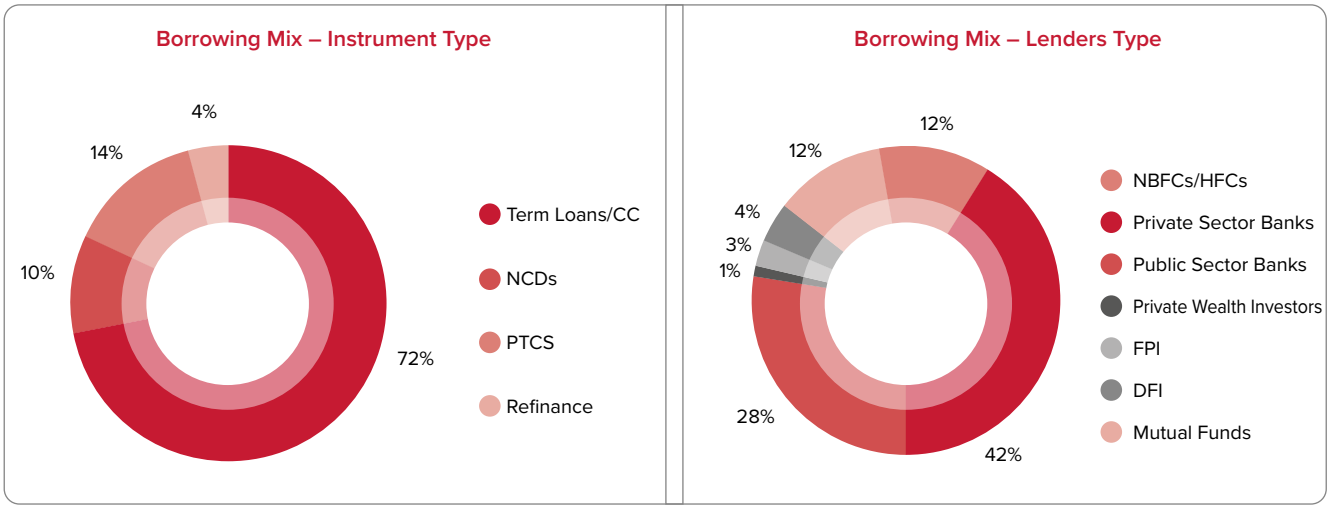


Diversified Funding Profile

The funding for the business is from an optimum mix of equity and debt. The Company continues to follow the policy of diversification of funding sources. The Company has existing relationships with 49 lenders across Banks, NBFCs, Foreign Portfolio Investor (FPI), AIFs and Mutual funds. During the year, the Company has availed fresh borrowings aggregating INR 3,535.00 crores, which includes INR 300 crores of NCDs issued during the year. During the year, the Company has issued Commercial paper amounting to INR 100 crores which were invested by Ultra HNIs, NBFCs, and Corporate Treasuries and completed its first Direct Assignment Transaction of INR 80.09 crores with a Scheduled Commercial bank.

Also, during the year the Company has completed 6 securitisation transactions aggregating to INR 700.00 crores invested by Mutual Funds and NBFCs. During the year, the Company has been glad to welcome new lenders partnering in our growth namely HSBC Mutual Fund, SIDBI, Bank of Maharashtra and Nabsamruddhi Finance Ltd.

The Funding mix of the Company as on March 31, 2025, is given below:



Credit Rating

During the year, rating agency CARE Ratings has revised the outlook of the long-term credit rating of the Company to **"CARE A+"** with Positive outlook for the Long-term Bank loans and Non-Convertible Debentures from **"CARE A+"** with stable outlook. Also, CARE Ratings has reaffirmed **"CARE A1+"** for the short-term borrowings as well as for Commercial Paper issuance.

Investments

The Investment Policy approved by the Board of Directors envisages deployment of temporary cash surplus, arising out of the gap between cash inflows and outflows, in liquid/ overnight schemes of mutual funds, fixed deposits with Banks and investment in Government securities and treasury bills. The investment function ensures adequate levels of liquidity to support business requirements, maintaining a high degree of safety and optimising the level of returns, consistent with acceptable levels of risk by investing in short-term instruments. As at March 31, 2025, the investment in Fixed deposits free of lien stood at INR 437.98 crores, Investment in liquid schemes of Mutual Funds stood at INR 120.20 crores and investment in Govt. Securities/T-bills stood at INR 50.49 crores.

Asset Liability Management

The Company follows a cautious and well-planned approach to ensure that its funding matches its assets, leading to strong asset-liability stability. As part of its strategy to maintain healthy cash flow, it usually keeps enough cash or un-drawn credit lines to cover at least two months of expenses. This solid approach to managing assets and liabilities is a core strength of the Company.

In terms of interest rate changes, the Company uses a combination of fixed and floating rate borrowings. Most of its loans, except home loans, are given at fixed rates, while borrowings are a mix of fixed and floating rates. The main focus is on keeping the net interest spread at an optimal level, depending on how market interest rates move.

Internal Control Systems

The Company's system of internal controls is designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations. An internal control framework, including internal financial controls, encompassing clear delegation of authority and standard operating procedures, are available across all businesses and functions. Clear segregation of duties exists between various functions. To ensure that assets are safeguarded against losses that may arise due to unauthorised use or disposition, the Company has in place adequate systems to ensure that assets and transactions are authorised, recorded and reported. Key operational processes (finance and operations) are centralised at head office for better control. The Company has instituted a strong IT security system to ensure information security. By implementing robust Loan Management Systems, it has further strengthened its system controls. All policies are reviewed and approved by the board on a periodic basis.

Pursuant to the RBI's Guidelines on Risk-Based Internal Audit (RBIA) System for select NBFCs and UCBs dated February 03, 2021 – every NBFC with asset size of INR 5,000 crores and above is required to have an in-house internal audit function. Accordingly, the Company has appointed a Chief Audit Officer (CAO) and has formulated a Risk based Internal Audit framework covering branches and HO processes which is commensurate with the size and nature of its business. This risk-centric approach allows Strategic Alignment, Proactive Risk Management, Optimized Resource Allocation and Enhanced Stakeholder Confidence.

The CAO reports to the Audit Committee of the Board of Directors of the Company. The CAO conducts comprehensive audits of functional areas and operations of the Company to examine the adequacy of and compliance with policies, plans and statutory requirements. Any significant observations from the audit are reported to the Audit Committee and follow-up actions are taken accordingly. The Audit Committee also reviews the adequacy

and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations.

Information Technology

Veritas Finance Limited is at the forefront of digital transformation in the MSME lending sector, leveraging cutting-edge technology to drive operational excellence and deliver superior customer experiences. By automating repetitive tasks, implementing zero-data entry processes, and strengthening its IT infrastructure, it has significantly improved productivity and efficiency across its operations. The adoption of advanced analytics and machine learning enables more accurate credit assessments and data-driven decision-making, enhancing both risk management and customer service. These initiatives not only streamline internal workflows but also ensure a seamless, user-friendly digital journey for customers, reinforcing Veritas's commitment to innovation, growth, and customer-centricity.

Enterprise Risk Management Framework

The Company established an Enterprise Risk Management (ERM) Policy that outlines the principles, structure, and processes for managing risks organization-wide. This unified approach enables consistent risk identification, assessment, and mitigation, promoting a risk-aware culture. Senior Management's active involvement ensures effective integration of risk management across all business functions.

Risk Management Structure & Board Governance

The Risk Management Committee (RMC), aligned with RBI's Scale Based Regulations, meets quarterly to oversee the Company's risk framework. The Board is committed to a robust structure that proactively identifies and mitigates risks through the Internal Capital Adequacy Assessment Process (ICAAP), Enterprise Risk Management, and Operational Risk Management. These tools support stress testing and ensure capital adequacy in line with the evolving strategy.

Foresight and governance of Emerging Risks:

Veritas uses an Early Warning System (EWS) powered by ML-based Collection Scorecards to detect early signs in customer behavior, enabling timely action and effective credit risk management.

Key Risk Indicators & Risk Appetite Statement:

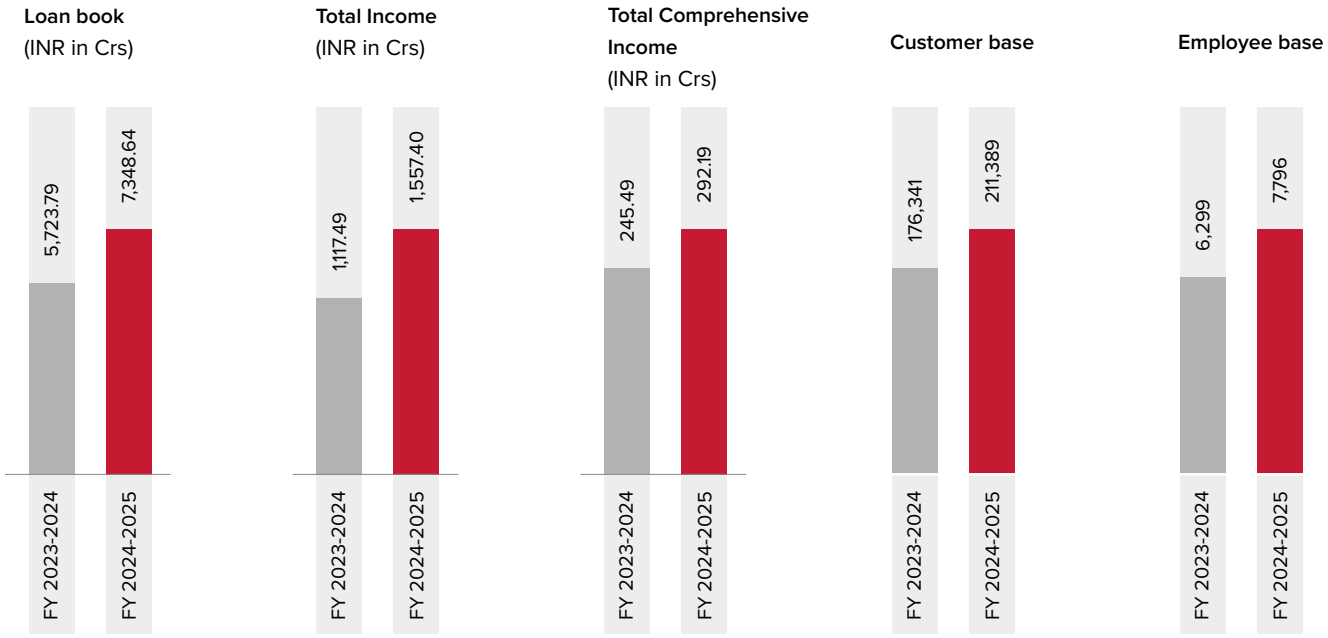
A defined Risk Appetite Statement (RAS) and Key Risk Indicators (KRI) framework support continuous monitoring. Breaches trigger prompt action plans to maintain alignment with strategic risk tolerance and operational resilience.

Risk Types	Impact	Mitigation measures
Credit Risk	We are exposed to credit default risks from borrowers and counterparties which can affect loan recovery and obligation fulfilment	The Company manages these risks through in-house sourcing, credit decisioning supported by scorecards, and strong portfolio monitoring and collections. Regular portfolio analysis and reporting ensure proactive management of credit quality and concentration risks at both account and portfolio levels.
Liquidity Risk & Interest Rate Risk	As a retail-focused lender, our business is significantly impacted by the availability and cost of capital. Several micro and macroeconomic factors—such as inflation, economic growth, central bank policies, government regulations, and global events—can drive up lending rates which in turn, may affect the Company's overall profit margins	To manage liquidity risk, we have a comprehensive Asset Liability Management Policy that identifies short-term liquidity gaps and outlines corrective actions. Our diversified lender portfolio includes public and private banks, NBFCs, and mutual funds. Our Company measures liquidity buffers along with monthly reporting of critical ratios and threshold levels to ensure adequate liquidity planning.
Compliance & Regulatory Risk	Changes in regulatory framework and compliance requirements can significantly impact our business operations, reputation, and financial performance	The Company Compliance team proactively mitigates risks through ongoing regulatory monitoring and a robust, risk-based Compliance Framework, supported by an integrated Compliance Management tool.
Operational Risk	Disruptions to operations can arise from gaps in internal processes, technology failures, cyber security breaches, employee fraud, and other similar issues	The Company manages operational risks like process gaps, technology failures, cybersecurity breaches, and employee fraud through a risk-based internal audit framework, clear SOPs with staff training, regular branch audits, structured fraud investigations, continuous monitoring of key risk indicators, and comprehensive third-party risk management.

Risk Types	Impact	Mitigation measures
IT Risk, Cyber Security Risk	This risk stems from failures or weaknesses in IT infrastructure that could harm data availability, integrity, and security. Cybersecurity risk involves threats like hacking, phishing, or ransomware that may disrupt operations or expose sensitive company and customer data.	The Company has detailed IT policies in line with regulatory guidelines. We have a robust access-control and log tracking for server security, cyber thefts, policies to ensure there is no breach in the privacy of information of customers. These are governed by both IT Strategy and Steering Committee
Conduct & Reputation Risk	The risk arises from issues such as unethical conduct, regulatory non-compliance, misleading communications, or failure to meet the expectations of consumers, investors, and other key stakeholders	Regular training reinforces ethical behavior at all levels. A clear policy with strong customer grievance redressal. Effective communication with stakeholders to address concerns. Predefined protocols and teams for managing reputational threats.

Operational Overview

The key operational highlights of the FY 2024-25 are:



Balance Sheet

The summarized version of the Company's Balance sheet is given below:

Particulars	FY 2024-2025	FY 2023-2024	YOY Growth %
Cash & Cash Equivalents & Short-term Investments	1,128.32	659.42	71.11%
Loan Assets	7,187.88	5,634.55	27.57%
Other Assets	199.44	127.61	56.28%
TOTAL	**8,515.64**	**6,421.58**	**6,421.58%**
Liabilities			
Net-worth	2,783.17	2,329.55	2,329.55%
Borrowings	5,629.24	3,995.80	3,995.80%
Other Liabilities	103.23	96.23	96.23%
TOTAL	**8,515.64**	**6,421.58**	**6,421.58%**

Statement of Profit & Loss

Particulars	FY 2024-2025	FY 2023-2024	YOY Growth %
Revenue from operations	1,550.68	1,111.20	39.55%
Other Income	6.72	6.29	6.84%
Total Income (A)	**1,557.39**	**1,117.49**	
Finance Cost	483.09	314.42	53.64%
Other Operating Cost	514.64	389.94	31.98%
Provisions & Losses	171.34	90.17	90.02%
Total Expense (B)	**1,169.07**	**794.52**	
Profit before tax (PBT) (A-B)	**388.32**	**322.96**	**20.24%**
Current and Deferred Tax	93.21	77.91	19.64%
Profit After Tax (PAT)	295.11	245.05	20.43%
Other Comprehensive Income	(2.92)	0.44	-767.92%
Total Comprehensive income, net of Income Tax	**292.19**	**245.49**	**19.02%**

Key Financial Ratios

Particulars	FY 2024-2025	FY 2023-2024
PBT / Total Income	24.93%	28.90%
NIM	14.69%	15.52%
Return on Total Assets (ROTA)	3.94%	4.68%
Return on Equity (ROE)	11.52%	12.27%
EPS		
Basic (INR)	22.44	19.04
Diluted (INR)	22.25	18.86
Debt/ Equity	2.02x	1.7x
Capital Adequacy	37.82	41.49%

Human Resource

The Company's employees are its greatest assets form the foundation of the organization. It is committed to fostering an inclusive and supportive environment that promotes continuous growth and learning. As part of its efforts to nurture future leaders, the Company regularly conducts leadership development programs for middle and senior management teams. It also takes pride in cultivating a strong organizational culture that sets it apart and places employee well-being at the heart of everything it does.

This year, the Company was once again honored with the "Great Place to Work" certification by the GPTW Institute. This recognition reflects its commitment across five key areas: the credibility of its leadership, mutual respect, workplace fairness, a sense of pride in its work, and the camaraderie shared among its people.

7796

Number of Employees

Outlook

Our outlook for the coming year involves consolidating the existing product verticals that caters to the varied financial needs of the MSME segment. Our key focus would revolve around efficiency in operation and growth.

As the organization gears up for the next phase of growth, we would ensure that we demonstrate steady progress and improvements in terms of all the key metrics viz. Loan book growth, Productivity and Profitability.

Cautionary Statement

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental/related factors.

Business Responsibility & Sustainability Report

SECTION A GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	U65923TN2015PLC100328
2.	Name of the Company	Veritas Finance Limited (Formerly known as Veritas Finance Limited)
3.	Year of Incorporation	April 30, 2015
4.	Registered Office Address	SKCL Central Square 1, South and North Wing, 7th Floor Unit # C28 - C35, CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai - 600 032.
5.	Corporate Address	
6.	Email Address	corporate@veritasfin.in
7.	Telephone	+91 44 4615 0011
8.	Website	www.veritasfin.in
9.	Financial Year Reported	FY'2024-25
10.	Name of the Stock Exchanges where shares are listed	The Company's privately placed Non-Convertible Debentures (NCDs) are listed on the Debt Segment of BSE Limited (BSE) and the National Stock Exchange of India (NSE). The Company's Equity shares are currently unlisted
11.	Paid-up Capital	INR 131.36 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	V. Aruna Company Secretary and Compliance Officer 044-46150029 Email id - secretarial@veritasfin.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on a Standalone basis
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1.	Financial and insurance Service and other Financial activities	Veritas Finance Limited focuses on providing financial services to India's underserved micro, small, and medium enterprises (MSMEs). • **Secured Medium-term Loans:** Financial inclusion, micro business, and small business loans • **Unsecured Short-term Loans:** Working capital loans • **Secured Medium-term Loans:** Used commercial vehicle loans • **Secured Long-term Loans:** Home loans and loans against property	100%

17. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Non-Banking Finance Company engaged in lending and allied activities	65923	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	0	508	508
International	0	0	0

19. Markets served by the Company

a. **Number of locations**

Location	Number
National (No. of States)	11
International (No. of Countries)	0

b. **What is the contribution of exports as a percentage of the total turnover of the Company?**

Not Applicable, the Company is a domestic entity with 100% of its operations within India.

c. **Types of customers**

The Company offers both secured and unsecured lending solutions, primarily targeting micro-entrepreneurs, small businesses, and self-employed individuals who are largely excluded from the formal lending ecosystem. These services are designed to support their business and personal financial needs.

IV. Employees

20. Details as at the end of Financial Year

a. **Employees and workers (including differently abled):**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	7,796	7,587	97%	209	3%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	**7,796**	**7,587**	**97%**	**209**	**3%**
	WORKERS					
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	15	11	73.33%	4	26.77%
6.	**Total workers (F + G)**	**15**	**11**	**73.33%**	**4**	**26.77%**

b. **Differently abled Employees and workers:**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	1	1	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total Differently abled Employees (D + E)**	**1**	**1**	**100%**	**0**	**0**
	DIFFERENTLY ABLED WORKERS					
3.	Permanent (F)					
4.	Other than Permanent (G)			Nil		
5.	**Total Differently abled workers (F + G)**					

21. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22%
Key Management Personnel	3	1	33%

22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY'2024-25			FY'2023-24			FY'2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	64%	1%	65%	58%	1%	59%	53%	1%	54%
Permanent Workers					NA				

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary/Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
		Nil		

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013:

Yes

(ii) Turnover (INR): 434.11 Crores

(iii) Net worth (INR): 2783.17 Crores

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy)	FY'2024-25			FY'2023-24		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes Grievance Redressal Policy	0	0	-	0	0	-
Investors (other than shareholders)	Yes Grievance Redressal Policy	0	0	-	0	0	-
Shareholders	Yes Grievance Redressal Policy	0	0	-	0	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes Grievance Redressal Policy	183	82*	-	66	43	-
Value Chain Partners	Yes Grievance Redressal Policy	0	0	-	0	0	-
Others	Not applicable	0	0	-	0	0	-

*including legal cases filed against Company by the Customers.

26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
The Company is in the process of conducting a materiality assessment exercise to strengthen stakeholder relationships and understand their views on a host of ESG issues relevant to the Company. Being a financial services Company and its focus on financial inclusion all our policies will be directed to improving stakeholder experience. The details of the material ESG issues to be identified along with the analysis on it being a risk or an opportunity to the business of the Company, mitigation measures for the risks, if any rationale shall be disclosed in the future reports.					

SECTION B MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs (National Guidelines on Responsible Business Conduct). (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Weblink of the policies, if available	Code of Conduct Corporate governance Policy CSR Policy Dividend Distribution Policy Equal Opportunity Policy Interest rate policy KYC Policy Prevention of Sexual Harassment Related Party transactions Policy Whistle Blower Policy Anti-Bribery & Anti-Corruption Policy Fraud Risk management Prevention Policy Policy On Business Responsibility & Sustainability Reporting Policies can be accessed on the Company portal: https://www.veritasfin.in/								
2.	Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	All policies are extended to the Company's value chain partners, with particular emphasis on compliance with the Code of Conduct, anti-bribery and anti-corruption measures, conflict of interest guidelines, fair business practices, and the Prevention of Sexual Harassment (POSH) policy								
4.	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	The certification received by the Company are • ISO/IEC 27001:2022 – Certified for the scope of work in the departments of IS, IT, Admin, HR, and Compliance • ISO 9001: 2015 – for HR Support activities spanning recruitment till employee exit inclusive of employee engagement, training & development, Payroll, Performance management, benefits and compliance. • ISO 30408:2016– Human Resource Management Guidelines on Human Governance • ISO 18404 for the Operation & CRM Department								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Specific commitments, goals and targets set by the Company with defined timelines, if any.	The Company is committed to advancing financial inclusion by addressing the specific needs of underserved segments. Beyond this core mission, the Company is dedicated to community development through its CSR initiatives, ensuring that its goals and targets align with meaningful social impact.								
6.	Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	The Company strives to maintain disclosure standards that rank within the top decile among comparable and leading entities in India.								
		The Veritas Foundation aims to collaborate with NGOs to promote education and create employment opportunities across various BFSI and non-BFSI sectors.								
Governance, leadership and oversight										
7.	Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Refer the statement from the Chairman & Managing Director, highlighting responsibility for the business, our ESG Goals, performance and outlook.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Arulmany, Managing Director and CEO (DIN:00009981), is the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies).								
9.	Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Mr. Arulmany, Managing Director and CEO (DIN:00009981), is the highest authority responsible for decision making in relation to sustainability related focus areas, goals and other issues.								

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly (HY/Q)/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all applicable regulations and has constituted various Board-level Committees that meet periodically to review and monitor key objectives.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Currently, the Company does not have any external agencies to carry out independent assessment or evaluation of the working of the above-mentioned policies.								
		The Internal Audit Team and the Compliance Team evaluates the working and ensures compliance of the above-mentioned policies as part of their scope respectively.								

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principle material to its business (Yes/No)	As the Company is currently in the process of assessing its ESG issues and risks, engaging a third-party assessment is not considered relevant at this stage.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C PRINCPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicator

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	6	Independent Directors (ID) Orientation: Brief programmes were organised where the IDs were deliberated on the Company's history, business objectives, overview of the Company's processes, policies, and framework, etc. by the senior management of the Company. The functional heads also met the respective Chairperson of the Board committees, wherever applicable, to apprise them of the Company's processes and business models. Regulatory Requirements and Updates: Directors are regularly updated on significant changes in the regulatory landscape. Detailed notes and presentations are shared as part of the agenda for Board and Committee meetings. Industry and Business Updates: Directors receive insights into the Company's short-term and long-term strategies, along with quarterly updates on operational performance, financials, risk management, ESG, CSR, and overall business review.	100%
Key Managerial Personnel	8	Management team was part of the meetings, wherein the Board was taken through in a thorough manner on the Company's business model, underwriting and various other aspects. Further, meetings with the Core Strategy Group of the Company are conducted on a periodic basis as well as during induction of new SMP, wherein business model of the Company, strategies, risk management, new projects and processes, regulatory updates etc. are deliberated and trained.	100%
Employees other than Board of Directors and KMPs	70	Training sessions on the Code of Conduct, Anti-Money Laundering, POSH (Prevention of Sexual Harassment), HR Induction, First Aid & Basic Life Support were conducted by a registered third party, and a session on women's health awareness	77%
Workers		NIL	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the disclosures are made on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	0	0	0	0	0
Settlement	0	0	0	0	0
Compounding fee	0	0	0	0	0

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	0	0	0	0
Punishment	0	0	0	0

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

Yes, as per Company's anti-corruption policy, it goes against the Company's policy to give anything of value to anybody directly or indirectly in order to influence decisions, unlawfully obtain or maintain business, or otherwise benefit unjustly from business connections. Receiving or agreeing to receive anything of value that causes or would cause to breach the duties at Veritas is also prohibited.

The web-link of the policy https://www.veritasfin.in/Anti-Bribery-Anti-Corruption-Policy.php

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY'2024-25	FY'2023-24
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest

	FY'2024-25		FY'2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.**

Not applicable

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY'2024-25	FY'2023-24
i) Number of days of accounts payables	NA*	NA*
ii) Cost of goods/services procured	NA*	NA*
iii) Number of days of accounts payables	NA*	NA*

*Considering the nature of the entity's business, cost of goods sold or services procured is not applicable

9. **Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY'2024-25	FY'2023-24
Concentration of Purchases	a. i) Purchases from trading houses	NA	NA
	ii) Total purchases	NA	NA
	iii) Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. i) Purchase from top 10 trading houses	NA	NA
	ii) Total Purchase from trading houses	NA	NA
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. i) Sales to dealer / distributors	NA	NA
	ii) Total Sales	NA	NA
	iii) Sales to dealer / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. i) Sales to top 10 dealers / distributors	NA	NA
	ii) Total Sales to dealer / distributors	NA	NA
	iii) Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	NA	NA
Share of RPTs in	a. i) Purchases (Purchases with related parties)	NA	NA
	ii) Total Purchases	NA	NA
	iii) Purchases (Purchases with related parties as % of Total Purchases)	NA	NA
	b. i). Sales (Sales to related parties)	NA	NA
	ii) Total Sales	NA	NA
	iii) Sales (Sales to related parties as % of Total Sales)	NA	NA
	c. i) Loans & advances given to related parties	NA	NA
	ii) Total loans & advances	NA	NA
	iii) Loans & advances given to related parties as % of Total loans & advances	NA	NA
	d. i) Investments in related parties	NA	NA
	ii) Total Investments made	NA	NA
	iii) Investments in related parties as % of Total Investments made	NA	NA

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
No specific awareness programmes to value chain partners were conducted during the financial year		

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

The Company has established a robust framework to effectively manage and mitigate conflicts of interest involving members of its Board of Directors. As part of its commitment to the highest standards of corporate governance, the Company has adopted a comprehensive policy titled "The Code of Conduct for the Members of the Board and Senior Management Personnel." This Code outlines the principles and ethical standards expected of the Board and senior leadership, ensuring transparency, integrity, and accountability in all decision-making processes. It serves as a guiding document to prevent any potential conflicts and to uphold the trust of stakeholders.

All members of the Board and Senior Management have affirmed compliance with the Code of Conduct. None of the Directors have any pecuniary relationship with the Company other than the remuneration received. Additionally, no Directors are related to each other

The Code of Conduct is publicly accessible and can be reviewed at the following link: https://www.veritasfin.in/code-of-conduct.php

Principle 2: Business should provide goods and services in a manner that is sustainable and safe

Essential Indicator

1 Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

Segment	FY'2024-25	FY'2023-24	Details of improvements in environmental and social impacts
R & D	-	-	-
Capex	Not Applicable	Not Applicable	-

In the financial services sector, the Company prioritizes capital expenditures on information technology. The significance of mining of information is directly linked to the IT investments. The Company is dedicated to identifying and addressing opportunities to reduce environmental impact.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

The Company is in the business of providing financial solutions to its customers and does not currently engage in sustainable sourcing.

b. **If yes, what percentage of inputs were sourced sustainably?**

NA

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

(a) Plastics (including packaging)	The Company minimizes plastic use, encourages the use of reusable items, and ensures proper disposal of plastic waste.
(b) E-waste	The financial services Company does not consume raw materials or produce tangible goods, limiting its impact on these factors. Nonetheless, it is committed to environmentally responsible waste management. The Company actively promotes reuse and recycling and collaborates with certified e-waste handlers for proper electronic waste disposal. Further the Company provides employee training on safe handling practices.
(c) Hazardous waste	Not applicable
(d) other waste	Not applicable due to the nature of the business, other waste categories do not apply

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Given the nature of the business, the above is not applicable to the Company.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
NA					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Given the business operations of the Company, the same is not applicable.		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY'2024-25	FY'2023-24
Given the business operations of the Company, the same is not applicable.		

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY'2024-25			FY'2023-24		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	0.74	NA	NA	0
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Given the business operations of the Company, the same is not applicable.	

Principle 3: Business should respect and promote the wellbeing of all employees, including those in their value chains

Essential Indicator

1. A. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by: Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities#	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	7,587	4,840	63.79%	7,587	100%	0	0%	7,587	100%	7,587	100%
Female	209	151	72.25%	209	100%	209	100%	0	0%	209	100%
Total	**7,796**	**4,991**	**64.02%**	**7,796**	**100%**	**209**	**100%**	**7,587**	**100%**	**7,796**	**100%**
Other than Permanent employees											
Male	Not Applicable										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by: Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities#	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	Not Applicable										
Female											
Total											
Other than Permanent Workers											
Male	11	11	100%	-	-	-	-	-	-	11	100%
Female	4	4	100%	-	-	-	-	-	-	4	100%
Total	**15**	**15**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**	**15**	**100%**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

Segment	FY'2024-25	FY'2023-24
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.54%	0.55%

2. **Details of retirement benefits, for Current and Previous Financial Year.**

Benefits	FY'2024-25			FY'2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	36%	100%	Yes	46%	100%	Yes
Others- please specify	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.**

The Company's premises are designed with inclusivity in mind, ensuring accessibility for all employees. Elevators and ramps are integral features, providing ease of access for everyone. The Head Office is equipped with restrooms that are accessible to persons with disabilities (PWD). Branch offices, being rented facilities, are chosen, wherever possible and for their ease of accessibility to persons with disabilities.

4. **Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has an equal opportunity policy in accordance with the Rights of Persons with Disabilities Act, 2016. This policy ensures that all employees, including those with disabilities, are provided with fair and equal opportunities in all aspects of employment. The policy covers various areas such as hiring, promotions, training, and employee benefits, and emphasizes the importance of an inclusive and respectful work environment. For more details, you can access the policy through the following web-link: Equal Opportunity Policy.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	191	100%	NA	NA
Female	2	50%	NA	NA
Total	193	99%	NA	NA

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	NA
Other than permanent workers	NA
Permanent employees	Yes, The Company has constituted the Employee Grievance Redressal Committee (Dost) with the objective of maintaining a positive and harmonious work environment. This Committee serves as a structured mechanism to address and resolve employee grievances in a fair, transparent, and timely manner. Employees may submit their grievances to the Employee Grievance Redressal Committee either in writing or via email at dost@veritasfin.in. The Company has also constituted separate internal committees for POSH (Prevention of Sexual Harassment) and the Whistleblower mechanism. The primary purpose of the Committees is to provide employees with a formal channel to seek redressal for concerns or issues that may arise during their employment. It ensures that all grievances are reviewed and resolved with due diligence and in accordance with the Company's policies.
Other than permanent employees	NA

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY'2024-25			FY'2023-24		
	Total employees/ workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees /workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	The Company does not have an employee trade union and is not involved in any collective bargaining agreements. However, it allows all employees to exercise their lawful right to freedom of association.					
- Male						
- Female						
Total Permanent Workers						
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY'2024-25					FY'2023-24				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	7587	3534	47%	4766	63%	6147	2546	41%	2376	39%
Female	209	98	47%	38	18%	152	56	40%	30	21%
Total	**7,796**	**3,632**	**47%**	**4,804**	**62%**	**6,299**	**2,602**	**41%**	**2,406**	**38%**
Workers										
Male	Nil									
Female										
Total										

9. Details of performance and career development reviews of employees and workers:

Category	FY'2024-25			FY'2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	7,587	5,649	74.46%	6,147	4,295	69.87%
Female	209	177	84.69%	152	119	78.29%
Total	**7,796**	**5,826**	**74.73%**	**6,299**	**4,414**	**70.07%**
Workers						
Male	NIL					
Female						
Total						

10. Health and Safety Management System:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

As a financial services entity, the Company operates with minimal occupational risks. It prioritizes employee well-being by offering various healthcare services and conducting regular wellness workshops. The Company's commitment to safety is evident through fire safety training, evacuation drills, and the provision of sanitizers.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

As a responsible organization, the Company prioritizes a safe and healthy work environment. It adheres to safety regulations and conducts regular risk assessments. The Company is committed to promoting both physical and mental well-being, ensuring all employees can thrive.

c. **Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)**

NA

d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes

11. Details of safety related incidents, in the following format:

Safety Incident /Number	Category	FY'2024-25	FY'2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	1	4
	Workers	0	0
No. of fatalities	Employees	11	4
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company prioritizes creating a secure and health-conscious environment for its workforce. The premises are equipped with air conditioning, fire extinguishers, smoke detectors, and safe drinking water. To enhance emergency readiness, the Company conducts annual mock fire drills, equipping employees with vital evacuation procedures. The commitment to a productive environment is evident in its comfortable facilities and consistent safety training initiatives. During the financial year, the Company organized a First Aid workshop and basic life support for Head Office employees, conducted by a registered third party.

13. Number of Complaints on the following made by employees and workers:

	FY'2024-25			FY'2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health & Safety	NIL	NIL	NA	NIL	NIL	NA

14. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	The Company is committed to maintaining a safe, hygienic, and humane workplace environment, upholding the dignity of all employees. Offices undergo periodic internal assessments to ensure compliance with health and safety measures and related working conditions.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant corrective actions pertaining to above mentioned parameters was necessitated.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Employees: Yes. the Company provides its employees with the Group Term Life Insurance, Personal Accident cover, Employee Death Life Insurance, Provident Fund Benefit and Gratuity Benefit.

Veritas Finance Limited remains committed to the well-being of its employees and their families. As part of this commitment, the company has introduced the Suraksha Scheme, aimed at providing financial and emotional support to the families of employees in the unfortunate event of an employee's death during the course of employment.

The Company recognize that the loss of a loved one can be a deeply traumatic experience, and during such a difficult time, it is our responsibility to stand by the affected family and help alleviate any immediate financial burdens. As a mark of our support and care, Veritas proposes to extend the following benefits to the family of the deceased employee:

- Continuation of Salary: The last drawn monthly salary of the deceased employee will be credited to the designated bank account for a period of 24 months from the date of demise.
- Medical Insurance Coverage: The existing medical insurance benefits will be extended to the employee's immediate family for a duration of 24 months.
- Educational Assistance (for up to two children):
  - School Education: Reimbursement of actual expenses or up to INR 50,000 per child annually, until the completion of school education
  - Higher Education (College/Diploma): Reimbursement of actual expenses or up to INR 1,00,000 per child annually, until the completion of higher education.
- Employment Opportunity: Subject to eligibility and merit, suitable employment opportunities may be offered to the spouse or adult children of the deceased employee.
- ESOP Vesting: In the event of an employee's death, all the Employee Stock Options (granted during their employment) may be exercised by the nominee or legal heir as per the company's ESOP policy.

Workers: NIL

2. **Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.**

The Company performs monthly reconciliations of accounts concerning legal fees that Value Chain Partners are required to pay to claim credit. Partners are regularly reminded to make timely remittances. In case of any delays, appropriate follow-ups are conducted. The Company withholds payments due to the vendor equivalent to the amount of outstanding statutory dues. If the vendor fails to settle these dues despite repeated reminders, all further operations with the concerned vendor are suspended until the dues are fully cleared

3. **Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY'2024-25	FY'2023-24	FY'2024-25	FY'2023-24
Employees	11	4	0	0
Workers	NIL	NIL	NIL	NIL

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No

5. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not Applicable

Principle 4: Business should respect the interests of and be responsive to all its stakeholders

Essential Indicator

1. Describe the processes for identifying key stakeholder groups of the Company.

The Company proactively identifies and engages with a diverse range of stakeholders to gain a comprehensive understanding of their expectations. This engagement informs the development of the Company's strategic direction across short-, medium-, and long-term horizons. Key internal and external stakeholders—identified based on their direct influence on the Company's operations.

2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Email, SMS, conferences, direct interactions, website	As and when required	Terms of business; Providing awareness about the concept of NPA, Due date, FPC, KYC updations
Investors / Shareholders	No	Stock Exchange, Website disclosure, E-mails, Newspaper Publications, shareholder meetings, Notices	As and when required	Company's Performance, Growth and Expansion plans
Employees	No	Email, town hall Meetings, Notice Board, Website	As and when required	Organizational policies and process, compliance to code of conduct etc Performance reviews Safe and comfortable workplace; diversity; engaging assignments; learning opportunities; career development
Regulators, lenders and credit rating agencies	No	Email, one-on-one meetings, video conference, mandatory filings with regulators	As and when required	Periodic updates may include communications on findings, security upgrades or hypothecation, and covenant compliance. In addition to these, one-on-one meetings with lenders may be held—either during regular limit renewals or reviews, or in response to significant business events or external environmental factors. These meetings typically cover short- to medium-term guidance and provide performance updates Discussions with regard to various regulations and amendments, inspections, approvals

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Community	Yes	Website, emails, SMS, Community engagement initiatives, Social Media	As and when required	Before a donation is approved by the CSR Committee, and subject to meeting the qualifying criteria under the Companies Act, 2013, the Veritas conducts site visits to assess the concerns and needs of the community—particularly in the areas of healthcare, livelihood, and education. Additionally, the Company monitors the proper utilization of funds and ensures that contributions reach the intended beneficiaries. The outcomes of these reviews and the details of the investments made are regularly reported to the CSR Committee
Vendors/ Suppliers	No	Email, Call, One-one Meeting	As and when required	The Company's operations are directly linked with the timely availability and the services that we source, which has a significant effect on how efficiently we deliver our services.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company conducts regular discussions between the Board, its committees, management, and relevant departments. These interactions help identify key stakeholder concerns and align the Company's initiatives with their expectations. The Stakeholder Relationship Committee of the Board is responsible for setting related policies, overseeing the process for addressing stakeholder complaints and grievances, and aligning stakeholder interests with the Company's corporate strategy. The Committee also evaluates the Company's responsibilities toward stakeholders in the areas of environmental, social, and governance (ESG) matters.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company incorporates stakeholder feedback into our policies and processes. We are in the process of conducting stakeholder engagements for gathering their insights to help us prioritize the key material ESG issues which is proposed to be inculcated in the ESG roadmap to be devised for the ensuing financial year.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Feedback from local communities, gathered through direct engagement and third-party impact assessments, enables us to align our CSR initiatives with the evolving needs and expectations of both local communities and society at large.

Principle 5: Business should respect and promote human rights

Essential Indicator

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY'2024-25			FY'2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
			Employees			
Permanent	7,796	6,092	78%	6,299	1,804	29%
Other than Permanent	0	0	0%	0	0	0%
Total Employees	7,796	6,092	78%	6,299	1,804	29%
			Workers			
Permanent						
Other than Permanent		NA			NA	
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY'2024-25					FY'2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
					Employees					
Permanent	7,796	391	5%	7,405	95%	6,299	6	0%	6,293	100%
Male	7,587	385	5%	7,202	95%	6,147	4	0%	6,143	100%
Female	209	6	3%	203	97%	152	2	1%	150	99%
Other than Permanent										
Male					Not Applicable					
Female										
					Workers					
Permanent										
Male					Not Applicable					
Female										
Other than Permanent	15	0	0	15	100%	-	-	-	-	-
Male	11	0	0	11	100%	-	-	-	-	-
Female	4	0	0	4	100%	-	-	-	-	-

3. **Details of remuneration/salary/wages, in the following format:**

a. **The details are provided below:**

	Male		Female	
	Number	Median remuneration / salary / wages of respective category (in Lakhs)	Number	Median remuneration/ salary/ wages of respective category (in Lakhs)
Board of Directors (BoD)	4	35.5	1	29.3
Key Managerial Personnel	2	232.95	1	17.95
Employees other than BoD and KMP	7585	3.06	208	3.78
Workers	11	4.06	4	3.27

*Mr. Abhijit Sen, Mr. M. Sivaraman and Mr. N. Mohanraj cease to be independent directors effective from 21 May 2024. Hence, they are excluded from counts provided above.

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY'2024-25	FY'2023-24
Gross wages paid to females as % of total wages	3.16%	3.05%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Company has established various committees such as Stakeholder Relationship Committee of the Board, Ethics and Code of Conduct Committee, Disciplinary Committee to address human rights impacts and related issues. For example, the Company maintains a zero-tolerance policy towards sexual harassment in the workplace and fully complies with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, through the constitution of Internal Complaints Committees. Additionally, a Grievance Redressal Policy is in place to address any other human rights concerns or issues.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has established the Employee Grievance Redressal Committee (DOST) to ensure a healthy, respectful, and supportive work environment for all employees. This Committee is designed to serve as a formal platform for addressing employee concerns and grievances that may arise from time to time.

The primary objective of the Committee is to facilitate the fair and timely review and resolution of grievances, thereby promoting transparency and trust within the organization.

Employees are encouraged to submit their grievances to the Committee either in writing or via email at dost@veritasfin.in.

The Company maintains a zero-tolerance policy and strictly prohibits all forms of exploitation, forced labour, and abuse including child labour, slavery, and physical, sexual, marital, or verbal abuse.

6. **Number of Complaints on the following made by employees and workers:**

The details are provided below:

	FY'2024-25			FY'2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil			Nil		
Discrimination at workplace	Nil			Nil		
Child Labour	Nil			Nil		
Forced Labour/Involuntary Labour	Nil			Nil		
Wages	Nil			Nil		
Other Human rights related issues	Nil			Nil		

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY'2024-25	FY'2023-24
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
ii) Female employees / workers	0	0
iii) Complaints on POSH as a % of female employees / workers	0	0
iv) Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has instituted multiple committees and mechanisms—namely, the Ethics and Code of Conduct Committee, the Disciplinary Committee, and the Employee Grievance Redressal Committee (DOST)—to proactively prevent and address incidents of harassment. In addition, regular awareness and training programs are conducted to educate employees on appropriate workplace behaviour and reporting procedures.

To further strengthen its commitment to a safe and respectful work environment, the Company has implemented a Whistleblower Policy and Vigil Mechanism, a Code of Conduct for Directors and Senior Management, and a comprehensive Prevention of Sexual Harassment (POSH) Policy. These formal channels enable employees to report any instances of discrimination or harassment with the assurance of confidentiality and protection.

Complainants are fully safeguarded against any form of retaliation, including but not limited to threats of termination or suspension, disciplinary action, demotion, transfer, denial of promotion, or any misuse of authority that may impede their ability to perform their duties or make further protected disclosures.

Furthermore, the Grievance Redressal Policy clearly outlines the escalation hierarchy for addressing customer complaints, ensuring that all concerns are resolved in a fair, respectful, and transparent manner.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company includes compliance to relevant laws (avoidance of child and forced labour) as a pre-requisite in its agreements and contracts with vendors and other partners.

10. Assessment for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Other- please specify	0

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

NA

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

   The Company is of the belief that it has upheld basic principles of human rights in all its dealings in alignment with its Human Rights Policy. Hence, no significant change is necessitated with respect to the business process.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

   The Company conducts regular internal assessments to monitor if there is a negative impact on our stakeholders' human rights. The Company is planning to establish a due diligence process which will help us in checking and ensuring Compliances on aspects of human rights and regulations.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   The Company's premises are designed with inclusivity in mind, ensuring accessibility for all employees. Elevators and ramps are integral features, providing ease of access for everyone. The Head Office is equipped with restrooms that are accessible to persons with disabilities (PWD). Branch offices, being rented facilities, are chosen, wherever possible and for their ease of accessibility to persons with disabilities.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company expects all its value chain partners to follow existing regulations withregard to health, safety and working conditions. Our BRSR policy and ESMS manual has a prohibited activities list which lays down certain activities that do not qualifyfor financing which include child labour, forced labour, etc
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   NA

Principle 6: Business should respect and make efforts to protect and restore the environment.

Essential Indicator

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY'2024-25	FY'2023-24
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	7,991.51	6,084.34
Total fuel consumption (E)	96,717.46	70,949.78
Energy consumption sources (F)	0.00	0.00
Total energy consumed from non- renewable sources (D+E+F)	**1,04,708.97**	**77,034.12**
Total energy consumed (A+B+C+D+E+F)	**1,04,708.97**	**77,034.12**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ/Cr.)	67.23	68.55
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/Dollar)	1,389.04	1,416.20
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY'2024-25	FY'2023-24
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	91,024.92	69,543.36
(iii) Third party water	4,045.55	3,090.82
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**95,070.47**	**72,634.18**
Total volume of water consumption (in kilolitres)	**95,070.47**	**72,634.18**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (kL/Cr.)	61.04	64.63
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (kL/Dollar)	1,261.18	1,335.31
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	FY'2024-25	FY'2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	**0**	**0**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Considering the nature of business, the Company's usage of water is restricted to human consumption purposes only. The Company has not implemented a mechanism for zero liquid discharge. The Company takes measures to judiciously control the same.

6. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

Parameter	Unit	FY'2024-25	FY'2023-24
NOx	-	NA	NA
SOx	-	NA	NA
Particulate matter (PM)	-	NA	NA
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others – please specify Mercury, Cadmium, Chromium etc.	-	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY'2024-25	FY'2023-24
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO2 equivalent	6190.95	4791.28
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO2 equivalent	1997.88	1521.09
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent/Rupees in Crore	5.26	5.62
Total Scope 1 and Scope 2 emission intensity perrupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent/Dollar	108.63	116.05
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

No

9. Provide details related to waste management by the Company, in the following format:

Parameter	FY'2024-25	FY'2023-24
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	0.060	0.082
E-waste **(B)**	0.74	0
Bio-medical waste **(C)**	0	0
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**		
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	0	0
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	**0.80**	**0.082**
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations) (MT/Crore)	0.0005	0.0001
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/Dollar)	0.0106	0.0015
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**

Parameter	FY'2024-25	FY'2023-24
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0.8	0.082
Total	**0.8**	**0.082**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. **Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company being a financial service sector provider does not generate any toxic chemical waste or significant hazardous waste. The Company ensures responsible waste disposal practices. E-waste is handled through authorized vendors, while plastic waste being minimal in quantity is collected by local vendors in accordance with applicable guidelines.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			NA

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			NA		

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
			NA	

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area – NA

(ii) Nature of operations – NA

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY'2024-25	FY'2023-24
Water withdrawal by source (in kiloliters)		
(i) Surface water	NA	NA
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kiloliters)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entit		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY'2024-25	FY'2023-24
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	4759.76	3746.46
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/Rupees in crores	3.06	3.33
Total Scope 3 emission intensity kg CO_2/T of Cementitious material	-	-	-

Note: Indicate if any independent assessment, evaluation, or assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

4. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		NA	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Business Continuity Policy of Veritas Finance is designed to ensure the rapid restoration of core IT systems following any incident that disrupts the Company's operations. The Business Continuity Program is closely integrated with the IT Disaster Recovery Process and aligns with other specialized protocols, including the Cyber Crisis Management Plan. This comprehensive approach enables Veritas staff to effectively respond to disruptions affecting key business applications, systems, and networks—prioritizing recovery efforts and initiating a structured, timely response. The policy also includes general contingency procedures that outline the overarching steps involved in the response, recovery, resumption, and return phases.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Environment impacts from the value chain partners are not evaluated as the supply chain partners pertain to the financial – operations services.

7. % of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?

NA

8. How Many green credits have been generated or produced

a	By the listed entity	NA
b	By the top ten (in terms of value of purchase and sales respectively) value chain partners	NA

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicator

1. a. Number of affiliations with trade and industry chambers/associations.

3

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry (CII)	National
2	Finance Industry Development Council (FIDC)	National
3	Madras Management Association (MMA)	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
	Nil	

Leadership Indicators

1. Details of public policy positions advocated by the Company:

Sl. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
	The details are available in the BRSR policy of the Company. Weblink of the said policy is https://www.veritasfin.in/				

Principle 8: Businesses should promote inclusive growth and equitable development.

Essential Indicator

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	-	-	-	-	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
-	-	-	-	-	-	-

3. Describe the mechanisms to receive and redress grievances of the community.

The Company undertakes Corporate Social Responsibility (CSR) initiatives by contributing to reputed and recognized institutions. Additionally, it extends support to organizations engaged in meaningful causes such as education, sustainable livelihoods, and healthcare. These partner organizations conduct needs assessments and engage with local communities to identify key concerns, which are then communicated to the Company for appropriate action and support.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY'2024-25	FY'2023-24
Directly sourced from MSMEs/small producers	22.76%	25.98%
Sourced directly from within the district and neighbouring districts.	100%	100%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY'2024-25	FY'2023-24
Rural		
% of Job creation in Rural areas	26.82%	25.70%
Semi-urban		
% of Job creation in Semi-urban areas	30.58%	30.94%
Urban		
% of Job creation in Urban areas	32.07%	31.85%
Metropolitan		
% of Job creation in Metropolitan areas	10.53%	11.51%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
-	-

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

Sl. No.	State	Aspirational District	Amount spent (In INR)
Nil			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?

The Company provides a wide range of financial products and services to diverse consumers. These activities do not require raw materials or the production of physical goods, resulting in minimal procurement activities. Therefore, this indicator is not applicable to the Company.

(b) From which marginalized/vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
No				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA		

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1.	Ladapuram Government High School Infrastructure Development, FY 2023-24, FY 2024-25.	166 school students and their families.	100
2.	Scholarship program through NSNOP for 42 Girls students across Tamil Nadu, FY 2024-25.	42 scholarship received girl students and their families.	100
3.	Maintenance of public restrooms built in Trichy Moffusil Bus-stand	Common public at large	Public at large

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicator

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Consumer complaints are addressed in accordance with the Company's Grievance Redressal Policy. Complaints can be submitted through various channels, including phone, email, or by writing directly to the branch. The Grievance Redressal Policy is available on the Company's website at Grievance Redressal Policy.

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

Number of consumer complaints in respect of the following:	FY'2024-25		Remarks	FY'2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	120	0	-	44	0	-

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. **Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

Nil

7. Provide the following information relating to data breaches:

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact*	Nil
b. Percentage of data breaches involving personally identifiable information of customer	NA
c. Impact, if any, of the data breaches	NA

*The Company has not reported any data breaches as on March 31, 2025

Leadership Indicators

1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).

The customer can view the product information and other details related to the Company from branch office and registered office the website www.veritasfin.in

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Veritas Finance Limited educates customers on revised non-performing assets (NPA) norms and the importance of due dates through information available on the Company's website. During the loan application process, borrowers are informed about the loan amount, annualized interest rate, insurance premium, and processing fees. Post-sanction, the sanction letter clearly communicates the loan terms, including penal interest for delayed payments, charges for bounced payment instruments, loan tenure, and the complete repayment schedule. Detailed information is also provided in the loan agreement. Customers will also receive this information during the on boarding process, where loan-related documents and terms of finance will be provided.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company communicates potential risks to its clients through timely emails and virtual meetings. This transparent approach, whether addressing foreseeable disruptions or other issues and demonstrates the Company's commitment to client well-being.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)

Not applicable - there is no product information mandated by law. Given the nature of the business, there is limited applicability of this indicator.

Independent Auditor's Report

To
The Members of
Veritas Finance Limited (formerly known as Veritas Finance Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Veritas Finance Limited (formerly known as Veritas Finance Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment loss allowance for loans based on expected credit loss model – refer Note 3.6, 3.7, 7, 29	
Loans represents a significant portion of the total assets of the Company. The Company has reported loans aggregating to INR 7,34,864.29 lakhs against which an impairment loss allowance of INR 16,076.48 lakhs has been recognised as at March 31, 2025. As per the expected credit loss model of the Company developed in accordance with the principles set out in Ind-AS 109 on Financial Instruments, the Company is required to estimate the probability of loss / expected loss based on past experience and future considerations. This involves a significant degree of estimation and judgement, including determination of staging of financial assets; estimation of probability of defaults, loss given defaults, exposure at defaults; and forward-looking factors, micro and macro-economic factors, in estimating the expected credit losses.	Our audit procedures included the following: • Read and assessed the Company's accounting policies approved by the Board of Directors with respect to impairment of financial instruments considering the requirement of Ind AS 109 and applicable Reserve Bank of India guidelines / regulations. • Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the design and operating effectiveness of controls around data extraction, validation and computation. • Assessed the criteria for staging of loans based on their past due status to check compliance with requirement of Ind AS 109. Tested a sample of performing loans to assess whether any significant increase in credit risk (SICR) or loss indicators were present requiring them to be classified under higher stages.

Key audit matters	How our audit addressed the key audit matter
The Company has also recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in relevant macro-economic factors. Such overlays are based on various uncertain variables which could result in actual credit loss being different than that being estimated. In view of the high degree of management's judgement involved in estimation of ECL and the overall significance of the impairment loss allowance to the financial statements, it is considered as a key audit matter.	• For provision of expected credit loss (ECL) against outstanding exposures classified across various status, we obtained understanding of the Company's provisioning methodology (including factors that affect the probability of default (PD), loss given default (LGD), and exposure at default (EAD), various forward looking macro-economic factors), the changes and refinement to ECL model made during the year, the underlying assumptions and the sufficiency of the data used by management and tested the same on a sample basis. • Involved internal experts for testing of the ECL model and computation, including factors that affect the PD, LGD and EAD considering various forward looking, micro and macro-economic factors. • Tested assumption used by the management in determining the overlay for macro-economic and other factors. • Tested the arithmetical accuracy of computation of ECL provision performed by the Company. • Assessed the disclosures as per accounting standards and regulations included in the financial statements in respect of expected credit losses.
Information technology (IT) systems and controls The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting. Further, the extant regulations require the Company to maintain a daily back-up of its books of account and to use accounting software which has an audit trail (edit log) feature. Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records or non-compliance with regulatory requirements. Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.	• Our audit procedures focused on the IT infrastructure and applications relevant to financial reporting of the Company: • The aspects covered in the assessment of IT General Controls comprised: (i) User Access Management; (ii) Program Change Management; (iii) Other related ITGCs – to understand the design and test the operating effectiveness of such controls in respect of information systems that are important to financial reporting ("in-scope applications"). • Tested the changes that were made to the in-scope applications during the audit period to assess changes that have impact on financial reporting. • Tested the periodic review of access rights, inspected requests of changes to systems for appropriate approval and authorisation. • Performed tests of controls (including other compensatory controls, wherever applicable) on the IT application controls and IT dependent manual controls in the system. • Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures. • Tested the configuration of the audit trail feature in the accounting software and maintenance of back-up as per extant regulatory requirements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Directors Report, included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter with those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the year ended March 31, 2025, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on April 25, 2024.

Report on Other Legal and Regulatory Requirements

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

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

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the back-up of the certain books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on a daily basis for a certain period of time, as stated in note 57 to the financial statements;

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

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).

   (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement – refer note 36.1 to the financial statement;

      ii. The Company has made provisions, as required under the applicable law or accounting standard for material foreseeable losses, if any, on long term contracts. The Company does not have any derivative contract. Refer note 7 and note 18 to the financial statement;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 56 (v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"),

with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 56 (vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks and as described in note 58 to the financial statement, the Company has used a general ledger application, for maintaining its books of account which has a feature of recording audit trail (edit log) facility which was not enabled throughout the year for all relevant transactions recorded in the accounting software. Accordingly, we are unable to comment upon whether during the year there was any instance of audit trail feature being tampered with in respect of the general ledger application.

Further, the Company uses three loan management systems and two asset register applications which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled for direct changes to data when using certain access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of loan management systems and asset register applications where the audit trail has been enabled and has operated throughout the year at an application level.

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

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Bharath N S**
Partner
Membership Number: 210934
UDIN: 25210934BMLCFT5408

Place: Chennai
Date: April 30, 2025

Annexure '1'

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Veritas Finance Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment and investment property, except for few class of assets, where fixed assets register is to be updated to include its complete component wise quantitative details and situations thereof.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) The Company has a plan program of physically verifying property plant and equipment once in three years. However, such Plant, Property and Equipment have not been completely verified by the management during the year as per the planned program. No material discrepancies noted to the extent assets were physically verified.

(i) (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(ii) (b) As disclosed in note 16 of the financial statements, the Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/ statements filed by the Company with such banks are in agreement with the audited/ unaudited books of accounts of the Company.

(iii) (a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable to the Company.

(iii) (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(iii) (c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing loans to customer, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transaction, it is not practicable to furnish entity-wise details of amounts, due dates for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause) in this Annexure 1, in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business

Further, except in respect of 15,784 loans with aggregate exposure of principal and interest of INR 35,460.42 lakhs where there were delays or default in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosure asset classification in note 56 to the financial statements in accordance with Indian Accounting Standard (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(iii) (d) In respect of loans and advances in the nature of loans, the total amount outstanding of loans classified as credit impaired ("Stage 3") is INR 16,207.69 Lakhs in respect of 6,651 loans as at March 31, 2025, as disclosed in note 56 to the financial statement. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(iii) (e) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or

any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and sub-section (1) of Section 186 of the Act in respect of the loans and investments made and guarantees and securities provided by it. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial Company registered with the RBI engaged in the business of giving loans.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company. Accordingly, the requirement to report on clause 3(vi) is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. Undisputed statutory dues with respect to professional tax have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) Monies raised during the year by the Company by way of term loans was initially invested in liquid investments payable on demand and were ultimately applied for the purpose for which they were raised.

(ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(ix) (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xii) (b) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(xii) (c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934)

(xvi) (b) The Company has not conducted any Non-Banking Financial and Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi) (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

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

(xviii) The previous statutory auditors of the Company have resigned during the year pursuant to the requirement of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (Sas) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) date April 27, 2021, issued by the Reserve Bank of India, and there are no issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in note 47 and 55 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub-section (5) of section 135 of the Act. This matter has been disclosed in note 32.3 to the financial statements.

(xx) (b) All amounts that are unspent under sub-section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 32.3 to the financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Bharath N S**
Partner
Membership Number: 210934
UDIN: 25210934BMLCFT5408

Place: Chennai
Date: April 30, 2025

Annexure 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VERITAS FINANCE LIMTED (formerly known as VERITAS FINANCE PRIVATE LIMITED)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Veritas Finance Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Bharath N S**
Partner
Membership Number: 210934
UDIN: 25210934BMLCFT5408

Place: Chennai
Date: April 30, 2025

Balance Sheet *as at 31 March 2025*

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Financial assets			
Cash and cash equivalents	4	53,821.85	47,744.92
Bank balances other than cash and cash equivalents	5	41,940.97	18,197.03
Receivables			
- Other Receivables	6	38.05	170.09
Loans	7	7,18,787.81	5,63,454.97
Investments	8	17,069.51	-
Other financial assets	9	5,758.30	2,357.66
Total financial assets		**8,37,416.49**	**6,31,924.67**
Non-financial assets			
Current tax assets (net)	10	251.80	158.82
Deferred tax assets (net)	11	6,409.50	4,141.29
Property, plant and equipment (including right of use asset)	12.1	4,298.65	4,622.67
Intangible assets under development	12.2	163.70	49.05
Other intangible assets	12.3	731.36	839.68
Other non-financial assets	13	2,291.15	423.10
Total non-financial assets		**14,146.16**	**10,234.61**
Total assets		**8,51,562.65**	**6,42,159.28**
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Trade payables	14		
- Total outstanding dues of micro enterprises and small enterprises		144.16	114.68
- Total outstanding dues of creditors other than micro enterprises and small enterprises		474.36	765.20
Debt securities	15	56,830.92	30,812.15
Borrowings (other than debt securities)	16	5,06,093.28	3,68,768.63
Other financial liabilities (including lease liabilities)	17	7,624.98	7,289.13
Total financial liabilities		**5,71,167.70**	**4,07,749.79**
Non-financial liabilities			
Provisions	18	1,337.58	866.07
Other non-financial liabilities	19	739.91	588.07
Total non-financial liabilities		**2,077.49**	**1,454.14**
Total Liabilities		**5,73,245.19**	**4,09,203.93**
Equity			
Equity share capital	20	13,136.42	12,751.92
Other equity	21	2,65,181.04	2,20,203.43
Total Equity		**2,78,317.46**	**2,32,955.35**
Total Liabilities and Equity		**8,51,562.65**	**6,42,159.28**

Summary of material accounting policies 3

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/E300004

per Bharath N S
Partner
ICAI Membership No. : 210934
Place : Chennai
Date : 30 April 2025

for and on behalf of the Board of Directors of
Veritas Finance Limited
(formerly known as "Veritas Finance Private Limited")
CIN: U65923TN2015PLC100328

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

Naveen Raj R
Chief Financial Officer

Place : Chennai
Date : 30 April 2025

D Arulmany
Managing Director and Chief Executive Officer
DIN : 00009981
Place : Chennai

V Aruna
Company Secretary and Compliance Officer
Membership No. : A60078
Place : Chennai

Statement of Profit and Loss *for the year ended 31 March 2025*

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Particulars	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations			
Interest income	22	1,47,446.06	1,05,706.44
Fee and commission income	23	3,483.42	3,186.30
Net gain on fair value changes	24	2,508.44	2,220.54
Net gain on derecognition of financial instruments under amortised cost category		1,587.91	-
Sale of services	25	42.10	7.07
Total revenue from operations		**1,55,067.93**	**1,11,120.35**
Other income	26	672.03	628.98
Total income		**1,55,739.96**	**1,11,749.33**
Expenses			
Finance costs	27	48,309.17	31,441.64
Fees and commission expense	28	230.54	435.24
Impairment on financial instruments (net)	29	17,134.20	9,016.56
Employee benefits expenses	30	40,711.00	29,160.93
Depreciation and amortization	31	2,889.36	2,356.33
Other expenses	32	7,633.37	7,042.17
Total expenses		**1,16,907.64**	**79,452.87**
Profit before tax		**38,832.32**	**32,296.46**
Tax expense			
Current tax	33	11,491.16	8,834.00
Deferred tax (credit)/ charge	11	(2,170.00)	(1,042.80)
Total tax expense		**9,321.16**	**7,791.20**
Profit for the year		**29,511.16**	**24,505.26**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurements gain/ (loss) of the defined benefit plans	34	(390.19)	58.43
Income tax relating to items that will not be reclassified to profit or loss	11	98.20	(14.71)
Other comprehensive income / (loss) for the year, net of income tax		**(291.99)**	**43.72**
Total comprehensive income/ (loss) for the year, net of income tax		**29,219.17**	**24,548.98**
Earnings per share, par value of INR 10 each			
- Basic (in INR)	37	22.44	19.04
- Diluted (in INR)		22.25	18.86

Summary of material accounting policies 3

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/E300004

per Bharath N S
Partner
ICAI Membership No. : 210934
Place : Chennai
Date : 30 April 2025

for and on behalf of the Board of Directors of
Veritas Finance Limited
(formerly known as "Veritas Finance Private Limited")
CIN: U65923TN2015PLC100328

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

D Arulmany
Managing Director and Chief Executive Officer
DIN : 00009981
Place : Chennai

Naveen Raj R
Chief Financial Officer

Place : Chennai
Date : 30 April 2025

V Aruna
Company Secretary and Compliance Officer
Membership No. : A60078
Place : Chennai

Statement of Changes in Equity *for the year ended 31 March 2025*

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

A Equity Share Capital

Equity share capital of ₹ 10 each, Issued, Subscribed and Fully paid

Particulars	Amount
Balance as at 31 March 2023	**4,920.49**
Changes in equity share capital during the year	2,025.61
Add: Conversion during the financial year 2023-24 (refer note below)	5,805.82
Balance as at 31 March 2024	**12,751.92**
Changes in equity share capital during the year	384.50
Balance as at 31 March 2025	**13,136.42**

B Instruments Entirely Equity in Nature

Particulars	Amount
Balance as at 31 March 2023	**6,501.91**
Changes in compulsorily convertible preference shares during the year	-
Less: Conversion during the financial year 2023-24 (refer note below)	(5,805.82)
Less: Transfer to securities premium on conversion of compulsorily convertible preference shares	(696.09)
Balance as at 31 March 2024	**-**
Changes in compulsorily convertible preference shares during the year	-
Balance as at 31 March 2025	**-**

Note : During the Financial year 2023-24, in accordance with the memorandum of association, articles of association, and amended and restated shareholders agreement dated 21 June 2023, executed among the Company and the shareholders, all types of CCPS were converted into Equity shares of INR 10 each at a ratio of 1:1. The same was approved via board resolution dated 15 September 2023.

C Other Equity

Particulars	Other equity				
	Reserves and surplus				
	Securities premium	Retained earnings	Statutory reserve as per Section 45-IC of the RBI Act, 1934	Share options outstanding account	Total other equity
As at 31 March 2023	**1,10,359.44**	**28,568.88**	**7,474.42**	**1,300.46**	**1,47,703.20**
Profit for the year	-	24,505.26	-	-	24,505.26
Remeasurements of defined benefit plan transferred to retained earnings	-	43.72	-	-	43.72
Premium received on shares issued during the year	47,217.88	-	-	-	47,217.88
Premium on conversion of preference shares issued during the year	696.09	-	-	-	696.09
Premium Utilised during the year for share issue expenses	(735.86)	-	-	-	(735.86)
Transfer to securities premium on exercise of options under ESOP	585.60	-	-	(585.60)	-
Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	-	(4,901.05)	4,901.05	-	-
Share based payment expense	-	-	-	773.14	773.14
As at 31 March 2024	**1,58,123.15**	**48,216.81**	**12,375.47**	**1,488.00**	**2,20,203.43**

Statement of Changes in Equity

for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Particulars	Other equity				
	Reserves and surplus				
	Securities premium	Retained earnings	Statutory reserve as per Section 45-IC of the RBI Act, 1934	Share options outstanding account	Total other equity
Profit for the year	-	29,511.16	-	-	29,511.16
Remeasurements of defined benefit plan transferred to retained earnings	-	(291.99)	-	-	(291.99)
Premium received on shares issued during the year	13,825.32	-	-	-	13,825.32
Transfer to securities premium on exercise of options under ESOP	40.99	-	-	(40.99)	-
Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	-	(5,902.23)	5,902.23	-	-
Share based payment expense	-	-	-	1,933.12	1,933.12
Transfer to retained earnings on lapse of options		43.13		(43.13)	-
Balance as at 31 March 2025	**1,71,989.46**	**71,576.88**	**18,277.70**	**3,337.00**	**2,65,181.04**

The accompanying notes form an integral part of the financial statements 3

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/E300004

per Bharath N S
Partner
ICAI Membership No. : 210934
Place : Chennai
Date : 30 April 2025

for and on behalf of the Board of Directors of
Veritas Finance Limited
(formerly known as "Veritas Finance Private Limited")
CIN: U65923TN2015PLC100328

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

D Arulmany
Managing Director and Chief Executive Officer
DIN : 00009981
Place : Chennai

Naveen Raj R
Chief Financial Officer

Place : Chennai
Date : 30 April 2025

V Aruna
Company Secretary and Compliance Officer
Membership No. : A60078
Place : Chennai

Statement of Cash Flows *for the year ended 31 March 2025*

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flows from operating activities			
Profit before tax for the year		38,832.32	32,296.46
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense		2,889.36	2,356.33
Impairment on financial instruments		17,134.20	9,016.56
Share based payment expense		1,933.12	773.14
Net (gain)/ loss on investments in mutual funds		(2,508.44)	(2,220.54)
Interest income on loans and investments		(1,44,027.44)	(1,02,933.10)
Interest income on security deposits		(180.11)	(76.23)
(Gain)/ loss on termination of leased assets		(20.55)	(30.72)
Net gain on derecognition of financial instruments under amortised category		(1,587.91)	-
Finance costs		48,309.17	31,441.64
(Gain) / loss on sale of property, plant and equipment		12.21	(11.06)
Interest income on fixed deposits with banks		(3,238.51)	(2,697.12)
Cash used in operations before working capital changes and adjustments		**(42,452.58)**	**(32,084.64)**
Changes in working capital			
Adjustments for (increase)/ decrease in operating assets:			
(Increase)/ Decrease in loans		(1,79,588.91)	(2,25,003.20)
(Increase)/ Decrease in other receivables		132.04	(166.02)
(Increase)/ Decrease in other financial assets		(1,806.20)	(1,791.64)
(Increase)/ Decrease in other non-financial assets		(1,868.04)	(119.70)
Adjustments for increase/ (decrease) in operating liabilities:			
Increase/ (decrease) in trade payables		(261.37)	326.91
Increase/ (decrease) in other financial liabilities		462.45	1,993.08
Increase/ (decrease) in provisions		28.60	100.99
Increase/ (decrease) in other non-financial liabilities		151.84	201.90
Cash used in operations before adjustments		**(2,25,202.17)**	**(2,56,542.32)**
Proceeds from derecognition of financial instruments		7,207.85	-
Interest income received on loans and investments		1,44,963.65	1,03,034.52
Interest income received on security deposits		111.36	19.72
Finance costs paid		(48,735.72)	(31,455.33)
Income tax paid (net of refunds)		(11,584.14)	(8,940.65)
Net cash used in operating activities	**(A)**	**(1,33,239.17)**	**(1,93,884.06)**
Cash flows from investing activities			
Purchase of property, plant and equipment, other intangible assets and intangible assets under development		(1,139.64)	(2,129.76)
Proceeds from sale of property, plant and equipment		57.97	31.43
Deposits placed with banks (net)		(23,539.84)	10,386.35
Interest received on fixed deposits		2,035.35	2,924.57
Purchase of investments - mutual funds		(6,41,571.54)	(6,60,162.04)
Purchase of investments - Government securities		(5,020.99)	-
Proceeds from sale of investments - mutual funds		6,32,059.80	6,62,382.58
Net cash used in investing activities	**(B)**	**(37,118.89)**	**13,433.13**
Cash flows from financing activities			
Proceeds from issue of equity shares including securities premium		14,209.83	49,243.50
Payment of principal portion of lease liabilities		(1,544.83)	(1,199.24)
Payment of interest portion of lease liabilities		(327.52)	(318.63)
Payment of share issue expenses		-	(735.86)
Proceeds from debt securities		37,843.02	23,500.00
Proceeds from borrowings (other than debt securities)		3,14,636.65	2,67,216.00
Repayment of debt securities		(11,718.02)	(10,500.00)
Repayment of borrowings (other than debt securities)		(1,76,664.14)	(1,22,835.31)
Net cash from financing activities	**(C)**	**1,76,434.99**	**2,04,370.46**
Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)		**6,076.93**	**23,919.53**
Cash and cash equivalents at the beginning of the year		47,744.92	23,825.39
Cash and cash equivalents at the end of the year		**53,821.85**	**47,744.92**

Statement of Cash Flows *for the year ended 31 March 2025*

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Notes to Statement of Cash Flows

1 Components of cash and cash equivalents:

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	407.25	150.58
Balances with banks		
In current accounts	46,380.65	39,029.91
In deposit accounts (Original maturity less than three months)	7,033.95	8,564.43
	53,821.85	**47,744.92**

2 The above cash flow statement has been prepared under the "indirect method", as set out in the Ind AS-7 on statement of cash flows specified under Section 133 of the Companies Act, 2013.

3 Non cash financing and investing activity

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a. Investing Activity		
Acquisition of right of use asset	1,661.84	1,822.61
Total	**1,661.84**	**1,822.61**

b. For disclosures relating to change in liabilities arising from financing activities, refer note 52A

Summary of material accounting policies 3

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/E300004

per Bharath N S
Partner
ICAI Membership No. : 210934
Place : Chennai
Date : 30 April 2025

for and on behalf of the Board of Directors of
Veritas Finance Limited
(formerly known as "Veritas Finance Private Limited")
CIN: U65923TN2015PLC100328

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

D Arulmany
Managing Director and Chief Executive Officer
DIN : 00009981
Place : Chennai

Naveen Raj R
Chief Financial Officer

Place : Chennai
Date : 30 April 2025

V Aruna
Company Secretary and Compliance Officer
Membership No. : A60078
Place : Chennai

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

1. Corporate Information

Veritas Finance Limited ("the Company") (CIN:U65923TN2015PLC100328) is a Company limited by shares domiciled in India and incorporated on 30 April 2015 under the provisions of the Companies Act, 2013. The Company had received the Certificate of Registration dated 15 October 2015 from Reserve Bank of India ("RBI") to carry on the business of NBFC without accepting public deposits. The debt securities of the Company namely non-convertible debentures are listed on the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). The Company is engaged in extending credit to micro and small enterprises, typically self-employed businesses and salaried segment for the purpose of their business expansion, working capital, construction of houses, and purchase of used commercial vehicles.

2. Basis of Preparation of Financial Statements

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards "Ind-AS" as specified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules 2015, as amended and in conformity with generally accepted accounting principles in India, other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are prepared on going concern basis based on ability of the Company to continue its business for the foreseeable future and no material uncertainty exists that may cost significant doubt on the going concern assumption. In making this assessment, the Company has considered wide range of information relating to present and likely future conditions including projections of cash flows, profitability and ability of capital resources.

The financial statements were approved for issue in accordance with a resolution of the directors on 30 April 2025.

2.2 Presentation of financial statements

The Balance sheet, the Statement of profit and loss and the Statement of changes in equity are presented in the format prescribed under Division III of Schedule III to the Act and as amended from time to time, for Non-Banking Financial Companies ('NBFC') that are required to comply with Ind AS.

The Company uses accrual basis of accounting in preparation of financial statements (other than statement of cash flows) except in case of significant uncertainties (refer note no. 3.1.C).

The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported on gross basis in the balance sheet. They are offset and reported net only where it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and where the parties also intend to settle on a net basis or to realize the asset and settle the liability simultaneously as permitted under Ind AS. Similarly, the Company offsets income and expenses and reports the same on net basis where the netting off reflects the substance of the transaction or other events permitted by Ind AS.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs with two decimals, unless otherwise indicated.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Financial assets and liabilities	Fair value / Amortised Cost, as applicable
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. Information about judgements,

Notes to Financial Statements for the year ended 31 March 2025

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estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are set out below:

(i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

(ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

(iii) Effective Interest Rate ("EIR") method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

(iv) Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

a) The Company's criteria for assessing if there has been a significant increase in credit risk and subsequently measuring impairment allowances for financial assets on a life time expected credit loss ("LTECL") basis.

b) Development of ECL models, including the various formulas and the choice of inputs.

c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD").

d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

(v) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an

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asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(vi) Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses Black Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 40.

(vii) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR to be the interest rate at which the Company has raised borrowings during the time immediately preceding the lease period.

(viii) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, the Company is involved in various litigations, arbitrations and regulatory inspections and proceedings in the ordinary course of its business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

(ix) Other assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

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(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

i. Measurement of defined benefit obligations: key actuarial assumptions;

ii. Estimated useful life of property, plant and equipment and intangible assets other than those taken on lease;

iii. Recognition of deferred taxes.

3. Summary of Material Accounting Policies

3.1 Revenue Recognition from contracts with customers

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Revenue recognition for different heads of income is as under:

A. Recognition of interest income on loans

Under Ind AS 109, interest income is recorded using the Effective Interest Rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When the financial asset becomes credit impaired, the Company calculated interest income by applying the effective rate of interest to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

B. Interest income on deposits

Interest on bank deposits is accounted on accrual basis on time proportion using effective interest rate.

C. Fee income

Fees income such as instrument bounce charges, delayed payment charges and pre-closure charges (other than fees and costs that are an integral part of EIR) are recognised on a point-in-time basis, and are recorded when realised based on certainty of receipt.

D. Net gain/loss or fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive

Notes to Financial Statements for the year ended 31 March 2025

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income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.

E. Net gain on derecognition of financial instruments under amortised cost category

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flow on execution of the transaction, discounted at the applicable rate is recorded upfront in the statement of profit and loss.

F. Other income

All items of other income are recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

G. Taxes

All incomes are recognised net of goods and services tax, wherever applicable.

3.2 Financial instrument – Initial recognition

A. Date of recognition

Debt securities issued and borrowings made are initially recognised when the funds reach the Company. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are transferred to the customers' bank accounts.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit and loss (FVTPL), transaction costs are added to or subtracted from this amount.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost

ii) Fair value through other comprehensive income (FVOCI)

iii) Fair value through profit and loss (FVTPL)

3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test.

Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make

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the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce more than the minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows based on the existing business model:

(i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans are held to sale and collect contractual cash flows, they are measured at FVTOCI.

(iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in the statement of profit and loss. The Company records investments in mutual funds at FVTPL.

B. Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

(ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

(iii) Debt securities and other borrowed funds:

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the instrument.

3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities during the year ended 31 March 2025.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

When assessing whether or not to derecognise a loan to a customer, amongst others, the Company considers the following factors:

- Introduction of an equity feature
- Change in currency of the loan
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

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B. Derecognition of financial instruments other than due to substantial modification of terms and conditions

(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. When estimating lifetime expected credit loss (LTECLs) for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life on which ECL is estimated.

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3 (if completely regularised to zero DPD for stage 3)

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for life time ECL. Stage 2 loans also include where the loans have been re-structured as per extent RBI Regulations.

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Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days and has not been completely regularised to zero DPD. The Company records an allowance for life time ECL.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

Probability of Default ('PD'):

PD is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default ('EAD'):

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

Loss Given Default ('LGD'):

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. It is usually expressed as a percentage of the EAD. The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted back to the default date using customer IRR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward-looking estimates are analysed.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanics of the ECL method are summarised below:

Stage 1:

The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12 months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted using customer IRR.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted using customer IRR.

Significant increase in credit risk:

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime LTECLs rather than 12mECLs.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment including forward looking information.

Stage 3:

For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's

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financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and a back- stop if amounts are overdue for 90 days or more.

C. Forward looking information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

3.7 Write-offs

The gross carrying amount of a financial assets is written off when there is no reasonable expectation of recovering the asset. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

The Company writes off all loan accounts which have remained as NPA for a specified period based on its write off policy.

3.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 : financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;

Level 2 : financial instruments: Those where the inputs that are used for valuation are significant and are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 : financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations. However, the base models may not fully capture all factors relevant to the valuation of the Company's financial instruments. Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for financial instruments.

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A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3.9 Property, plant and equipment ('PPE')

(i) Recognition and measurement

Items of PPE are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Any gain or loss on disposal of an item of PPE is recognised in statement of profit and loss.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are classified as capital advances under non-financial assets and the cost of the assets not put to use before such date are disclosed under "Capital work-in-progress".

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight line method and is generally recognised in the statement of profit and loss.

The Company, based on technical assessment made by the technical expert and management estimate, depreciates certain items of vehicle, furniture and fixtures over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives of items of property, plant and equipment for the current and comparative years are as follows:

Asset category	Useful life
Furniture and fixtures	5 Years
Office equipment	5 Years
Computers and accessories	3 Years
Vehicles	5 Years

Leasehold improvements are depreciated over the remaining period of lease or 5 years, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Property, plant and equipment taken on rent are treated as lease. Refer note 3.14.

3.10 Intangibles

(i) Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit and loss as and when it is incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

over their estimated useful lives using the straight line method and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Management estimate of useful life
Computer software	License period or 3 years, whichever is lower

The amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(iv) De-recognition

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from it use or disposal. Any gain or loss upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

3.11 Employee benefits

(i) Post – employment benefits

(a) Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

(b) Defined benefit plan

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed by a qualified actuary using the projected unit credit method. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(ii) Other long-term employee benefit

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within 12 months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

(iii) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under:

(a) in case of accumulated compensated absences - when employees render services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences - when the absences occur.

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(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

(iv) Share based payment

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

Equity settled plan:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 40.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.12 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements.

3.13 Leases

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company

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(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid as at the commencement date, discounted using the Company's incremental borrowing rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets separately on the face of the balance sheet and lease liability under other financial liabilities.

Short-term leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.14 Income tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case

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(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(iii) Goods and services taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services taxes paid except:

a. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

b. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.15 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in the statement of profit and loss.

3.16 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

3.17 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.18 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33 Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity shareholders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

3.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing, and investing activities of the Company are segregated based on the available information. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

3.20 Changes in accounting policies and disclosures

New and amended standards

(i) Ind AS 117 – Insurance contracts

On August 12, 2024, MCA announced the amendments to the Companies (Indian Accounting Standards) Rules, 2015, applicable from August 12, 2024, as below: The amendment outlines scenarios where Ind AS 117 does not apply. These include warranties from manufacturers, dealers, or retailers related to goods or services and employer obligations from employee benefit plans. It also excludes retirement benefit obligations from defined benefit plans and contractual rights or obligations tied to future use of non-financial items, such as certain license fees and variable lease payments. However, the Company has not entered into insurance contracts, hence do not have any impact on the financial statements.

(ii) Accounting for sale and leaseback transaction the books of seller – lessee – Amendments to Ind AS 116

On September 09, 2024, MCA announced the amendments to the Companies (Indian Accounting Standards) Rules, 2015, applicable from September 09, 2024, as below:

The amendment require seller-lessee shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. These rules aim to streamline accounting processes and ensure compliance with the updated Ind AS requirements. However, the Company has not entered into sale and lease back transactions, hence do not have any impact on the financial statements.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

4 Cash and cash equivalents (measured at amortised cost)

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	407.25	150.58
Balances with banks		
In current accounts	46,380.65	39,029.91
In deposit accounts (Original maturity less than three months) (refer Note 4A)	7,033.95	8,564.43
	53,821.85	**47,744.92**

Note 4A - Represents short-term deposits made for varying periods between one day and three months depending on the immediate cash requirements of the Company, and earn interest at the respective short term deposit rates.

Note 4B - The Company had available undrawn committed borrowings of INR 32,648.06 lakhs as at 31 March 2025 (as at 31 March 2024: INR 10,850.19 lakhs).

5 Bank balances other than cash and cash equivalents (measured at amortised cost)

Particulars	As at 31 March 2025	As at 31 March 2024
In deposit accounts (Original maturity more than three months)	36,764.57	16,069.05
In earmarked bank accounts		
- Deposits with Banks to the extent held as margin money or security against the borrowings, guarantee and other commitments (refer 5A below)	5,148.34	2,127.98
- Unspent CSR amount in relation to ongoing projects (refer 5B below)	28.06	-
	41,940.97	**18,197.03**

5A As at 31 March 2025, deposits amounting to INR 5,148.33 lakhs (INR 2,127.98 as at 31 March 2024) have been provided as credit enhancement for securitisation transactions.

5B As at 31 March 2024, an amount of INR 151.30 lakhs was recognised as shortfall towards the ongoing project approved by the CSR Committee and Board of Directors meeting held on 23 November 2023 and 24 November 2023 respectively.On 03 April 2024 , this unspent amount was transferred to a Designated Unspent Corporate Social Responsibility Account with a scheduled commercial bank as per circular E-file no.CSR-05/01/2021-CSR-MCA dated 25 August 2021 and subsequently out of funds in this earmarked bank account, INR 123.24 lakhs was incurred by the trust towards the ongoing project during the year. Balance of INR 28.06 lakhs is still lying in the Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank as at 31 March 2025.

6 Other receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Considered good - unsecured	38.05	170.09
Less: Impairment loss allowance	-	-
	38.05	**170.09**

6A Other receivables includes receivables against advertisement services

6B No Other receivables are due from Directors or other officers of the Company either severally or jointly with any other person nor any other receivable are due from firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner, or a director or a member.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

7 Loans

Particulars	As at 31 March 2025	As at 31 March 2024
At Amortised cost		
A Based on nature		
Term Loans	7,34,864.29	5,72,378.74
Less: Impairment loss allowance	(16,076.48)	(8,923.77)
Total (A) Net	**7,18,787.81**	**5,63,454.97**
B Based on security		
(i) Secured (refer note 7.1)		
Secured by tangible assets	6,78,345.69	5,11,388.36
Less: Impairment loss allowance	(12,153.72)	(7,693.49)
Total (B) (i) Net	**6,66,191.97**	**5,03,694.87**
(ii) Unsecured (refer note 7.2)		
Unsecured loans	56,518.60	60,990.39
Less: Impairment loss allowance	(3,922.76)	(1,230.28)
Total (B) (ii) Net	**52,595.84**	**59,760.11**
Total (B) Net	**7,18,787.81**	**5,63,454.98**
C Based on region		
(I) Loans in India		
(i) Public Sector	-	-
(ii) Others	7,34,864.29	5,72,378.74
Less: Impairment loss allowance	(16,076.48)	(8,923.77)
Total (C) Net	**7,18,787.81**	**5,63,454.97**
(II) Loans outside India		
Loans outside India	-	-
	7,18,787.81	**5,63,454.97**

7.1 Secured indicates loans secured by way of mortgage of immovable property or hypothecation of vehicles.

7.2 Unsecured loans includes loans amounting to INR 4,837.28 lakhs as at 31 March 2025 (INR NIL as at 31 March 2024) where security creation is in process.

7.3 No loans are granted to the directors, Key Managerial Personnel (KMP) and related parties (as defined under Companies Act. 2013)

7.4 Analysis of changes in the gross carrying amount and the corresponding ECL allowances:

Gross carrying amount - loans

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**5,53,807.78**	**8,311.19**	**10,259.77**	**5,72,378.74**	**3,37,790.87**	**7,853.05**	**7,729.23**	**3,53,373.13**
New assets originated/ increase in existing assets (Net)	3,52,334.34	1,505.64	1,345.62	3,55,185.60	3,34,133.11	706.22	643.29	3,35,482.62
Exposure de-recognised/matured/ repaid	(1,73,783.12)	(2,060.37)	(2,152.96)	(1,77,996.45)	(1,07,969.45)	(2,513.58)	(476.58)	(1,10,959.61)
Transfer to stage 1	1,527.92	(1,406.70)	(121.22)	-	508.17	(442.82)	(65.35)	-
Transfer to stage 2	(12,445.47)	12,464.64	(19.16)	-	(4,900.15)	4,961.52	(61.37)	-
Transfer to stage 3	(11,020.77)	(2,059.72)	13,080.50	-	(4,704.94)	(1,519.58)	6,224.51	-
Impact on account of exposures transferred during year between stages	(496.74)	(2,871.55)	(551.91)	(3,920.20)	(4.53)	123.55	876.92	995.95
Write off	(3,436.53)	(1,713.92)	(5,632.95)	(10,783.40)	(1,045.30)	(857.17)	(4,610.88)	(6,513.35)
Gross carrying amount closing balance	**7,06,487.41**	**12,169.21**	**16,207.69**	**7,34,864.29**	**5,53,807.78**	**8,311.19**	**10,259.77**	**5,72,378.74**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

7 Loans (Contd..)

Reconciliation of ECL balance is given below:

Impairment loss allowance - loans

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - Opening balance	**2,329.99**	**1,142.14**	**5,451.64**	**8,923.77**	**1,492.21**	**1,009.64**	**3,309.64**	**5,811.48**
New assets originated/ increase in existing assets (Net)	4,286.17	336.31	945.24	5,567.72	1,161.79	(10.74)	1,008.27	2,159.32
Exposure de-recognised/matured/repaid	(1,070.72)	(172.33)	(61.20)	(1,304.25)	(239.45)	(65.96)	(11.00)	(316.40)
Transfer to stage 1	228.02	(177.44)	(50.58)	-	123.94	(83.59)	(40.35)	-
Transfer to stage 2	(60.55)	69.69	(9.14)	-	(34.97)	73.56	(38.58)	-
Transfer to stage 3	(58.30)	(326.72)	385.02	-	(30.75)	(243.25)	274.00	-
Impact on account of exposures transferred during the year between stages	(216.73)	2,005.21	5,121.05	6,909.53	(119.31)	672.19	3,115.99	3,668.88
Write off	(49.02)	(377.90)	(3,593.37)	(4,020.29)	(23.47)	(209.71)	(2,166.33)	(2,399.51)
Impairment loss allowance - Closing balance	**5,388.86**	**2,498.96**	**8,188.66**	**16,076.48**	**2,329.99**	**1,142.14**	**5,451.64**	**8,923.77**

8 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Investments (At fair value through profit or loss)		
Investment in mutual funds	12,020.19	-
Investments	**12,020.19**	**-**
Investments (At amortised cost)		
Investment in Government securities	5,049.32	-
Less: Impairment Loss on Investment in Government securities	-	-
	5,049.32	**-**
Investment outside India	-	-
Investments in India	17,069.51	-
Gross investments	**17,069.51**	**-**
Aggregate book value of quoted investments	17,069.51	-
Aggregate market value of quoted investments	17,162.24	-
Aggregate value of unquoted investments	-	-

The Company held investments in mutual funds during the financial year. The realised and unrealised gains earned are disclosed in the profit and loss statement under "Net gain / (loss) on fair value changes" and the cash proceeds/ outflow are disclosed in the Statement of cash flows under "Cash flows from investing activities".

9 Other financial assets (at amortised cost)

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
Security deposits	2,952.86	2,328.17
Employee loans and advances	-	46.86
Excess Interest spread on derecognition of financial assets	1,575.75	-
Others*	1,245.84	-
Total Gross	**5,774.45**	**2,375.03**
Less : Impairment Loss on security deposits and employee loans & advances	(16.15)	(17.37)
Total Net	**5,758.30**	**2,357.66**

* Others include amount receivable from payment aggregators and prepayments made to lenders prior to due dates as at 31 March 2025.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

9 Other financial assets (at amortised cost) (Contd..)

9.1 Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to Impairment Loss on other financial assets

Changes in gross carrying amount

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**2,352.33**	**10.60**	**12.10**	**2,375.03**
New assets originated/ increase in existing assets (Net)	3,511.11	-	-	3,511.11
Exposure de-recognised/matured/repaid	(107.42)	-	(4.27)	(111.69)
Transfer to stage 1	15.89	(10.60)	(5.29)	-
Transfer to stage 2	(1.50)	1.50	-	-
Transfer to stage 3	(5.80)	-	5.80	-
Impact on account of exposures transferred during year between stages	-	-	-	-
Write offs	-	-	-	-
As at the end of the year	**5,764.60**	**1.50**	**8.34**	**5,774.45**

Changes in gross carrying amount

Particulars	As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**823.98**	**1.19**	**5.04**	**830.21**
New assets originated/ increase in existing assets (Net)	1,684.01	-	-	1,684.01
Exposure de-recognised/matured/repaid	(135.50)	(1.19)	(2.50)	(139.18)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(10.60)	10.60	-	-
Transfer to stage 3	(9.56)	-	9.56	-
Impact on account of exposures transferred during year between stages	-	-	-	-
Write offs	-	-	-	-
As at the end of the year	**2,352.33**	**10.60**	**12.10**	**2,375.03**

Reconciliation of ECL Balance

Particulars	As at 31 March 2025			
Impairment loss allowance	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**4.18**	**1.06**	**12.13**	**17.37**
New assets originated/ increase in existing assets (Net)	3.86	0.14	5.78	9.78
Exposure de-recognised/matured/repaid	(6.73)	-	(4.27)	(11.00)
Transfer to stage 1	6.35	(1.06)	(5.29)	-
Transfer to stage 2	(0.01)	0.01	-	-
Transfer to stage 3	(0.02)	-	0.02	-
Impact on account of exposures transferred during year between stages	-	-	-	-
Write offs	-	-	-	-
As at the end of the year	**7.62**	**0.15**	**8.37**	**16.15**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

9 Other financial assets (at amortised cost) (Contd..)

Particulars	As at 31 March 2024			
Impairment loss allowance	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
As at the beginning of the year	**3.67**	**0.12**	**5.04**	**8.83**
New assets originated/ increase in existing assets (Net)	1.12	-	-	1.12
Exposure de-recognised/matured/repaid	(0.54)	(0.12)	(2.47)	(3.13)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(0.04)	1.06	-	1.02
Transfer to stage 3	(0.04)	-	9.56	9.52
Impact on account of exposures transferred during year between stages	-	-	-	-
Write offs	-	-	-	-
As at the end of the year	**4.18**	**1.06**	**12.13**	**17.37**

10 Current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income tax (net of provisions)	251.80	158.82
Total	**251.80**	**158.82**

11 Deferred tax assets (net)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expenses:

Components of deferred tax asset/ liability	As at 31 March 2024	Statement of profit and loss	Other comprehensive income	As at 31 March 2025
Deferred Tax Asset:				
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	198.31	60.84	-	259.15
Impairment allowance for financial instruments	2,429.17	1,634.29	-	4,063.46
Provision for compensated absences and gratuity	514.38	113.15	98.20	725.73
Impact of effective interest rate adjustment on financial instruments	2,362.66	279.48	-	2,642.14
Recognition of lease liabilities	789.65	(31.45)	-	758.21
Total (A)	**6,294.16**	**2,056.31**	**98.20**	**8,448.69**
Deferred Tax Liabilities:				
Impact of effective interest rate adjustment on financial instruments	763.03	(40.29)	-	722.74
Provision for compensated absences and gratuity	14.71	(14.71)	-	-
Unrealised gain on mutual fund investments	-	5.24	-	5.24
Recognition of right of use asset	706.98	(31.04)	-	675.94
Provisions for Bad and Doubtful Debts under Sec 36(1) (viia)	668.16	(32.89)	-	635.27
Total (B)	**2,152.88**	**(113.69)**	**-**	**2,039.19**
Net Deferred Tax Asset (A-B)	**4,141.29**	**2,170.00**	**98.20**	**6,409.50**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

11 Deferred tax assets (net) (Contd..)

Components of deferred tax asset/ liability	As at 31 March 2023	Statement of profit and loss	Other comprehensive income	As at 31 March 2024
Deferred Tax Asset:				
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	185.46	12.85	-	198.31
Impairment allowance for financial instruments	1,643.72	785.45	-	2,429.17
Provision for compensated absences and gratuity	379.99	134.39	-	514.38
Impact of effective interest rate adjustment on financial instruments	1,431.36	931.30	-	2,362.66
Recognition of lease liabilities	766.50	23.15	-	789.65
Total (A)	**4,407.03**	**1,887.14**	**-**	**6,294.17**
Deferred Tax Liabilities:				
Impact of effective interest rate adjustment on financial instruments	420.87	342.16	-	763.03
Provision for compensated absences and gratuity	-	-	14.71	14.71
Recognition of right of use asset	694.98	12.00	-	706.98
Provisions for Bad and Doubtful Debts under Sec 36(1) (viia)	177.98	490.18	-	668.16
Total (B)	**1,293.83**	**844.34**	**14.71**	**2,152.88**
Net Deferred Tax Asset (A-B)	**3,113.20**	**1,042.80**	**(14.71)**	**4,141.29**

12.1 Property, plant and equipment (including Right of Use Asset)

Particulars	Property, plant and equipment						Right of Use Asset			Total
	Leasehold Improvements	Furniture and fixtures	Office equipments	Computers and accessories	Vehicles	Sub total	Buildings	Furniture and fixtures	Sub total	
Deemed cost										
Balance as at 31 March 2023	**710.96**	**402.29**	**211.84**	**1,444.71**	**507.81**	**3,277.62**	**4,106.91**	**107.15**	**4,214.06**	**7,491.67**
Add: Additions	406.70	208.08	88.93	425.83	147.98	1,277.52	1,810.86	11.74	1,822.61	3,100.12
Less: Disposals	(62.44)	(20.02)	(5.66)	(53.96)	(19.63)	(161.71)	(985.49)	(3.77)	(989.26)	(1,150.97)
Balance as at 31 March 2024	**1,055.22**	**590.35**	**295.11**	**1,816.58**	**636.16**	**4,393.41**	**4,932.28**	**115.12**	**5,047.40**	**9,440.82**
Add: Additions	69.07	97.70	32.00	375.85	187.96	762.57	1,661.84	-	1,661.84	2,424.41
Less: Disposals	-	(3.35)	(10.78)	(204.65)	(86.96)	(305.74)	(1,100.22)	-	(1,100.22)	(1,405.96)
Balance as at 31 March 2025	**1,124.29**	**684.70**	**316.32**	**1,987.78**	**737.15**	**4,850.24**	**5,493.91**	**115.12**	**5,609.03**	**10,459.27**
Accumulated depreciation										
Balance as at 31 March 2023	**548.72**	**340.33**	**128.89**	**807.81**	**66.71**	**1,892.46**	**1,447.21**	**5.47**	**1,452.68**	**3,345.14**
Add: Depreciation for the year	175.24	167.18	48.21	320.83	117.23	828.69	1,310.59	36.71	1,347.30	2,175.99
Less: On Disposals	(62.35)	(18.92)	(4.80)	(50.70)	(4.57)	(141.35)	(561.64)	-	(561.64)	(702.99)
Balance as at 31 March 2024	**661.61**	**488.59**	**172.30**	**1,077.95**	**179.37**	**2,579.81**	**2,196.16**	**42.18**	**2,238.35**	**4,818.15**
Add: Depreciation for the period	216.54	100.48	41.34	397.76	136.92	893.05	1,589.11	36.47	1,625.58	2,518.63
Less: On Disposals	-	(3.35)	(9.62)	(188.80)	(33.78)	(235.55)	(940.60)	-	(940.60)	(1,176.15)
Balance as at 31 March 2025	**878.15**	**585.72**	**204.02**	**1,286.90**	**282.51**	**3,237.29**	**2,844.67**	**78.65**	**2,923.33**	**6,160.62**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

12.1 Property, plant and equipment (including Right of Use Asset) (Contd..)

Particulars	Property, plant and equipment						Right of Use Asset			Total
	Leasehold Improvements	Furniture and fixtures	Office equipments	Computers and accessories	Vehicles	Sub total	Buildings	Furniture and fixtures	Sub total	
Net block										
As at 31 March 2024	**393.61**	**101.76**	**122.81**	**738.63**	**456.79**	**1,813.61**	**2,736.12**	**72.94**	**2,809.06**	**4,622.67**
As at 31 March 2025	**246.14**	**98.98**	**112.30**	**700.87**	**454.65**	**1,612.94**	**2,649.24**	**36.47**	**2,685.71**	**4,298.65**

Also refer note 17.1

1) All the Lease agreements are in the name of the Company.

2) The Company has elected to include ROU assets pertaining to lease of buildings, furniture & fixtures as part of the Property, plant and equipment as permitted under paragraph 47(a) of Ind AS 116.

3) On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

12.2 Intangible assets under development

Particulars	Software under development	Total
Balance as at 31 March 2023	**16.08**	**16.08**
Add: Additions	32.97	32.97
Less: Capitalized during the year	-	-
Balance as at 31 March 2024	**49.05**	**49.05**
Add: Additions	203.55	203.55
Less: Capitalized during the year	(88.90)	(88.90)
Balance as at 31 March 2025	**163.70**	**163.70**

Intangible assets under development - Ageing Schedule

Balance as at 31 March 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	131.00	32.70	-	-	163.70
Projects Temporary Suspended	-	-	-	-	-
Total	**131.00**	**32.70**	**-**	**-**	**163.70**

Balance as at 31 March 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	49.05	-	-	-	49.05
Projects Temporary Suspended	-	-	-	-	-
Total	**49.05**	**-**	**-**	**-**	**49.05**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year ended 31 March 2025 and 31 March 2024.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

12.3 Other Intangible assets

Particulars	Computer Softwares	Total
Deemed cost*		
Balance as at 31 March 2023	**1,190.65**	**1,190.65**
Add: Additions	819.27	819.27
Less: Disposals	-	-
Balance as at 31 March 2024	**2,009.92**	**2,009.92**
Add: Additions	262.41	262.41
Less: Disposals	-	-
Balance as at 31 March 2025	**2,272.33**	**2,272.33**
Accumulated amortization		
Balance as at 31 March 2023	**989.90**	**989.90**
Add: Amortisation for the year	180.34	180.34
Less: On Disposals	-	-
Balance as at 31 March 2024	**1,170.24**	**1,170.24**
Add: Amortisation for the year	370.73	370.73
Less: On Disposals	-	-
Balance as at 31 March 2025	**1,540.97**	**1,540.97**
Net block		
As at 31 March 2024	**839.68**	**839.68**
As at 31 March 2025	**731.36**	**731.36**

*On transition to Ind AS (i.e. 01 April 2015), the Company has elected to continue with the carrying value of all intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

13 Other non-financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Considered good, unsecured		
Capital and other advances	161.61	102.55
Prepaid expenses	491.71	320.55
Share issue expenses*	1,637.83	
Total	**2,291.15**	**423.10**

* Share issue expenses as at March 31, 2025 includes amount incurred by the Company towards the proposed initial public offering of equity shares of the Company. The Company expects to recover certain amounts from the selling shareholders and the balance amount would be charged - off to securities premium account in accordance with Section 52 of the Companies Act, 2013 upon equity shares being issued. This includes INR 280.18 lakhs paid/ payable to the statutory auditors (excluding taxes) of the Company.

14 Trade Payables (refer note 14.1)

Particulars	As at 31 March 2025	As at 31 March 2024
- Total outstanding dues of micro enterprises and small enterprises (refer note 39)	144.16	114.68
- Total outstanding dues of creditors other than micro enterprises and small enterprises	474.36	765.20
Total	**618.52**	**879.88**

Also refer note 38 for related party transactions

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

14 Trade Payables (refer note 14.1) (Contd..)

14.1 Trade payables(Ageing Schedule)

The following schedules reflect ageing of trade payables with respect to the date of transactions

As at 31 March 2025

Ageing for trade payables with due date:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	58.85	-	-	-	-	58.84
(ii) Others	34.82	-	-	-	-	34.82
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	**93.67**	**-**	**-**	**-**	**-**	**93.67**

Ageing for trade payables without due date:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Unbilled and not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	32.50	52.81	-	-	-	85.31
(ii) Others	407.63	31.91	-	-	-	439.54
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	**440.13**	**84.72**	**-**	**-**	**-**	**524.85**

As at 31 March 2024

Ageing for trade payables with due date:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	114.68	-	-	-	114.68
(ii) Others	630.50	134.70	-	-	-	765.20
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	**630.50**	**249.38**	**-**	**-**	**-**	**879.88**

Ageing for trade payables without due date:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Unbilled and not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

15 Debt securities (refer note 15.1)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Secured:		
Non-convertible debentures	56,830.92	30,812.15
Total	**56,830.92**	**30,812.15**
Debt securities in India	41,410.98	15,387.87
Debt securities outside India	15,419.94	15,424.28
	56,830.92	**30,812.15**

15.1 Details of terms of redemption / repayment and security provided in respect of debt securities:

Particulars	Terms of redemption	Security	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Series 13 redeemable non-convertible debentures of INR 10 lakhs each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 30 Months. Maturity Date: 24-Sep-24	1 time	24-Sep-24	-	2,505.78
Series 15 redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal annually (2 instalments), Semi-annually (1 instalment) and Interest Monthly. Tenor: 42 Months. Maturity Date: 25-Jun-27	1.1 times	26-Dec-24	4,113.03	5,475.73
Series 16 redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal once every 16 months and Interest Monthly. Tenor: 48 Months. Maturity Date: 28-Mar-28	1 time	28-Jul-25	7,444.41	7,406.36
Series 14 redeemable non-convertible debentures of INR 10 lakhs each	Repayment Terms: Principal at maturity and Interest Semi-Annually. Tenor: 72 Months. Maturity Date: 23-Jun-28	1 time	23-Jun-28	15,419.94	15,424.28
Series 17 redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Monthly. Tenor: 48 Months. Maturity Date: 27-Jun-28	1.1 times	27-Jun-28	9,914.49	-
Series 18B redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 36 Months. Maturity Date: 13-Nov-27	1 time	13-Nov-27	5,009.60	-
Series 19B redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 36 Months. Maturity Date: 21-Feb-28	1 time	21-Feb-28	4,995.24	-
Series 18A redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 48 Months. Maturity Date: 13-Nov-28	1 time	13-Nov-28	4,975.00	-
Series 19A redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 48 Months. Maturity Date: 21-Feb-29	1 time	21-Feb-29	4,959.21	-
Total				**56,830.92**	**30,812.15**

Notes:

a) The range of interest rates for the debt securities is 9.65% p.a to 13.24% p.a. (31 March 2024 : 9.75% p.a to 12.89% p.a.)

b) All the NCDs issued by the Company are secured by exclusive charge on specific receivables of the Company by way of hypothecation with security cover to the extent of 1.00 times to 1.10 times of both the principal and the interest accrued on the NCDs at any point in time.The average security cover provided for these listed NCDs is at 1.07 times of the principal and interest amount outstanding as at 31 March 2025 (1.06 times as at 31 March 2024)

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

15 Debt securities (refer note 15.1) (Contd..)

c) Interest for the above outstanding NCDs are payable on Monthly/ Quarterly / Semi-annually.

d) The principal repayment for the NCDs is on the date of maturity / annually/ semi annually/ amortisation or upon exercise of the option.

e) The quarterly returns/statements of current assets filed by the Company, whenever applicable, are in agreement with the books of accounts.

f) The Company has used the proceeds of NCDs for the purpose for which they have been borrowed.

16 Borrowings (Other than debt securities) (refer note 16.1)

Particulars		As at 31 March 2025	As at 31 March 2024
At amortised cost			
(A) Term loans (secured)			
From banks		3,83,820.52	3,03,910.15
From other financial institutions		44,006.86	12,889.23
	(A)	**4,27,827.38**	**3,16,799.38**
(B) Borrowings under securitisation (secured)		77,667.23	50,719.44
	(B)	**77,667.23**	**50,719.44**
(C) Loans repayable on demand (secured)			
From banks		598.67	1,249.81
	(C)	**598.67**	**1,249.81**
Total	**(A+B+C)**	**5,06,093.28**	**3,68,768.63**
Borrowings in India		5,06,093.28	3,68,768.63
Borrowings outside India		-	-
Total		**5,06,093.28**	**3,68,768.63**

Notes:

a) Loans repayable on demand from banks includes cash credit facilities which are secured by specific charge on loans. The range of interest rates across the facilities is 8.85% p.a to 12.82% p.a. (31 March 2024 : 8.75% p.a to 13.10% p.a.)

b) Borrowings under securitisation represents the net outstanding value (net of investment in pass through certificates) of the proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to Deed of Assignment. The Company has provided credit enhancement to the trust by way of cash collateral. Also refer note 51 for details of securitisation.

c) The quarterly returns/statements of current assets filed by the Company with the banks or financial institutions in relation to the secured borrowings wherever applicable, are in agreement with the books of account.

d) The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

16.1 Details of terms of redemption / repayment and security provided in respect of Borrowings (Other than debt securities):

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term loans from Banks:					
Term Loan 1	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 29-Sep-25	30-Oct-20	151.48	452.97
Term Loan 2	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 30-Sep-24	31-Oct-20	-	124.40
Term Loan 3	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 60 months Date: 28-Feb-26	31-Mar-21	960.38	2,008.05
Term Loan 4	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Mar-25	30-Apr-21	-	371.78
Term Loan 5	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 03-Feb-26	03-Jun-21	188.21	400.34
Term Loan 6	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Mar-25	30-Jun-21	-	499.27
Term Loan 7	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 05-Apr-25	05-Jul-21	283.27	1,415.72
Term Loan 8	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 60 months Maturity Date: 15-Mar-26	15-Jul-21	1,060.29	2,118.66
Term Loan 9	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 30-Jun-25	31-Jul-21	62.23	310.03
Term Loan 10	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 months Maturity Date: 11-Aug-26	11-Sep-21	563.53	962.39
Term Loan 11	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Aug-25	30-Sep-21	155.62	526.53

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 12	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months Moratorium). Tenor: 48 months. Maturity Date: 31-Jul-25	31-Oct-21	86.95	347.47
Term Loan 13	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months Moratorium). Tenor: 48 months. Maturity Date: 31-Aug-25	30-Nov-21	163.02	553.74
Term Loan 14	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 05-Sep-25	05-Dec-21	163.74	490.45
Term Loan 15	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months Moratorium). Tenor: 48 months. Maturity Date: 14-Sep-25	14-Dec-21	391.25	1,172.62
Term Loan 16	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 Months Maturity Date: 30-Nov-24	31-Dec-21	-	443.61
Term Loan 17	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 10-Dec-26	10-Jan-22	525.39	822.67
Term Loan 18	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 45 months Maturity Date: 15-Aug-25	15-Feb-22	451.29	1,851.74
Term Loan 19	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 months Maturity Date: 25-Feb-25	25-Mar-22	-	762.25
Term Loan 20	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly(EMI Basis). Tenor: 60 months Maturity Date: 01-Mar-27	01-Apr-22	695.74	988.08
Term Loan 21	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 10-Mar-27	10-Apr-22	400.03	598.23
Term Loan 22	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 months Maturity Date: 31-Mar-27	30-Apr-22	1,987.42	2,983.83
Term Loan 23	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Mar-27	30-Apr-22	498.23	745.86

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 24	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 30-Mar-27	30-Apr-22	2,000.60	3,000.95
Term Loan 25	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 36 Months Maturity Date: 03-Apr-25	03-May-22	84.10	1,091.55
Term Loan 26	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 45 months Maturity Date: 26-Jan-26	28-May-22	560.00	1,229.21
Term Loan 27	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months Moratorium). Tenor: 48 months. Maturity Date: 29-Mar-26	29-Jun-22	391.03	781.33
Term Loan 28	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-May-27	30-Jun-22	539.57	787.04
Term Loan 29	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 31-May-27	30-Jun-22	1,083.66	1,583.82
Term Loan 30	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 48 months Maturity Date: 30-Jun-26	30-Jul-22	621.99	1,120.60
Term Loan 31	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Jul-26	29-Aug-22	1,330.75	2,325.98
Term Loan 32	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 24 months Maturity Date: 30-Jul-24	30-Aug-22	-	333.35
Term Loan 33	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 30-Jul-27	31-Aug-22	3,501.05	5,001.47
Term Loan 34	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Aug-26	30-Sep-22	1,760.53	2,994.03
Term Loan 35	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Monthly, Interest Monthly (6 months moratorium). Tenor: 60 months Maturity Date: 01-Mar-27	01-Oct-22	1,062.44	1,678.13

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 36	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 40 months Maturity Date: 26-Jan-26	28-Oct-22	503.62	1,105.31
Term Loan 37	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Sep-26	29-Oct-22	1,121.61	1,867.92
Term Loan 38	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 Months Maturity Date: 30-Sep-25	31-Oct-22	832.84	2,494.91
Term Loan 39	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Monthly, Interest Monthly (6months Moratorium). Tenor: 60 months Maturity Date: 31-Mar-27	31-Oct-22	7,169.88	10,435.37
Term Loan 40	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 months Maturity Date: 30-Sep-25	31-Oct-22	749.64	2,246.03
Term Loan 41	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 36 Months Maturity Date: 03-Oct-25	03-Nov-22	685.47	1,858.21
Term Loan 42	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: 20 Quarterly instalments, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 30-Sep-27	31-Dec-22	1,244.07	1,747.27
Term Loan 43	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 60 months Maturity Date: 01-Sep-27	01-Jan-23	2,116.50	2,958.08
Term Loan 44	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 38 months Maturity Date: 26-Jan-26	28-Jan-23	816.55	1,791.87
Term Loan 45	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 28-Jul-27	01-Feb-23	3,939.35	5,560.38
Term Loan 46	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: 11 Quarterly instalments, Interest Monthly. Tenor: 36 Months Maturity Date: 24-Aug-25	24-Feb-23	458.15	1,361.55
Term Loan 47	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Jan-27	28-Feb-23	1,829.51	2,827.57

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 48	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 24 months Maturity Date: 31-Oct-24	28-Feb-23	-	831.76
Term Loan 49	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 30-Jan-28	28-Feb-23	2,834.19	3,834.46
Term Loan 50	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: 57 Monthly instalments, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 30-Oct-27	28-Feb-23	2,710.68	3,754.62
Term Loan 51	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 Months Maturity Date: 09-Feb-26	09-Mar-23	1,525.11	3,184.02
Term Loan 52	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 13-Feb-27	13-Mar-23	955.55	1,453.04
Term Loan 53	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 29-Mar-28	29-Apr-23	3,000.90	4,001.17
Term Loan 54	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: 15 Quarterly instalments, Interest Monthly (3months Moratorium). Tenor: 48 months Maturity Date: 31-Oct-26	30-Apr-23	924.72	1,457.32
Term Loan 55	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 30-Mar-27	30-Apr-23	7,540.89	11,293.10
Term Loan 56	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 months Maturity Date: 31-Mar-28	30-Apr-23	1,794.69	2,390.61
Term Loan 57	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Monthly, Interest Monthly (6months Moratorium). Tenor: 60 months Maturity Date: 31-Oct-27	31-May-23	14,734.08	19,478.48
Term Loan 58	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 36 months Maturity Date: 28-Feb-26	30-Jun-23	1,217.40	2,568.76
Term Loan 59	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-May-27	30-Jun-23	2,686.18	3,912.03

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 60	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 48 months Maturity Date: 27-Apr-27	30-Jul-23	2,711.29	4,007.95
Term Loan 61	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly (6months Moratorium). Tenor: 60 months Maturity Date: 31-Jan-28	31-Aug-23	3,980.45	5,165.60
Term Loan 62	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 27-Sep-27	30-Sep-23	6,625.42	9,351.65
Term Loan 63	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 30-Aug-28	30-Sep-23	3,417.69	4,417.92
Term Loan 64	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Aug-27	30-Sep-23	2,993.55	4,217.13
Term Loan 65	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 24 months Maturity Date: 25-Apr-25	26-Oct-23	357.05	1,781.64
Term Loan 66	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 25-Apr-28	01-Nov-23	6,833.42	9,005.10
Term Loan 67	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 48 months Maturity Date: 21-Aug-27	21-Nov-23	628.80	887.93
Term Loan 68	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Aug-28	30-Nov-23	3,489.99	4,482.77
Term Loan 69	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Aug-28	30-Nov-23	3,489.63	4,482.17
Term Loan 70	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 48 months Maturity Date: 30-Oct-27	30-Nov-23	3,217.95	4,458.16
Term Loan 71	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 24 months Maturity Date: 30-Nov-25	31-Dec-23	832.81	2,080.08

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 72	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 Months Maturity Date: 29-Dec-27	29-Jan-24	2,055.90	2,801.74
Term Loan 73	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 28-Dec-27	29-Jan-24	6,898.93	9,390.15
Term Loan 74	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 30-Dec-27	31-Jan-24	1,701.09	2,311.32
Term Loan 75	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly. Tenor: 24 months Maturity Date: 29-Oct-25	31-Jan-24	937.56	2,184.63
Term Loan 76	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 10-Jan-29	10-Feb-24	3,834.48	4,834.74
Term Loan 77	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 14-Feb-29	14-Mar-24	2,992.14	2,938.54
Term Loan 78	First and Exclusive charge on the standard receivables with a security cover of 115%.	Repayment Terms: 19 equal quarterly instalments, Interest Monthly (3 months moratorium). Tenor: 58 months Maturity Date: 19-Sep-28	19-Mar-24	3,703.97	4,755.66
Term Loan 79	First and Exclusive charge on the standard receivables with a security cover of 115%.	Repayment Terms: 19 equal quarterly instalments, Interest Monthly (3 months moratorium). Tenor: 58 months Maturity Date: 19-Sep-28	19-Mar-24	1,852.11	2,378.04
Term Loan 80	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 26-Feb-29	26-Mar-24	3,917.84	4,918.11
Term Loan 81	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months moratorium). Tenor: 48 months Maturity Date: 27-Dec-27	27-Mar-24	1,788.04	2,435.34
Term Loan 82	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 28-Feb-28	29-Mar-24	7,306.80	9,791.45
Term Loan 83	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 29-Feb-28	31-Mar-24	1,803.12	2,412.74

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 84	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 Months Maturity Date: 22-Mar-28	22-Apr-24	2,339.96	3,984.20
Term Loan 85	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 18 months Maturity Date: 29-Apr-25	29-Apr-24	833.84	2,497.70
Term Loan 86	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly. Tenor: 24 months Maturity Date: 29-Jan-26	30-Apr-24	1,249.72	2,496.00
Term Loan 87	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly (9months Moratorium). Tenor: 60 months Maturity Date: 31-Jul-28	30-Apr-24	15,520.08	19,869.00
Term Loan 88	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly (9months Moratorium). Tenor: 60 months Maturity Date: 31-Jul-28	30-Apr-24	19,291.53	24,821.66
Term Loan 89	First and Exclusive charge on the standard receivables with a security cover of 127%.	Repayment Terms: Principal Quarterly, Interest Monthly (9months Moratorium). Tenor: 84 months Maturity Date: 31-Jul-30	30-Apr-24	4,173.62	4,962.89
Term Loan 90	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 29-Apr-29	29-May-24	4,084.54	-
Term Loan 91	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 months Maturity Date: 30-Apr-29	31-May-24	5,656.37	-
Term Loan 92	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 months Maturity Date: 30-Apr-27	31-May-24	2,424.37	-
Term Loan 93	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Mar-28	29-Jun-24	7,466.55	-
Term Loan 94	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 18 months Maturity Date: 30-Jul-25	31-Jul-24	499.98	1,497.69
Term Loan 95	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 18 months Maturity Date: 30-Jul-25	31-Jul-24	333.32	998.44

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(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 96	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Jul-29	30-Aug-24	2,592.97	-
Term Loan 97	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 84 Months Maturity Date: 30-Jul-31	30-Aug-24	4,497.19	-
Term Loan 98	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Aug-28	30-Sep-24	4,280.54	-
Term Loan 99	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 29-Aug-28	30-Sep-24	2,112.63	-
Term Loan 100	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 Months Maturity Date: 25-Sep-28	25-Oct-24	4,349.99	-
Term Loan 101	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 24 months Maturity Date: 28-Apr-26	28-Oct-24	3,564.28	-
Term Loan 102	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Sep-29	31-Oct-24	3,136.42	-
Term Loan 103	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 22-Sep-28	31-Oct-24	2,165.07	-
Term Loan 104	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 26-Sep-28	31-Oct-24	2,164.19	-
Term Loan 105	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Sep-29	31-Oct-24	1,343.96	-
Term Loan 106	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 28-Aug-29	28-Nov-24	4,485.19	-
Term Loan 107	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 28-Aug-29	28-Nov-24	4,484.56	-

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(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 108	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 25-Sep-29	25-Dec-24	26,795.28	-
Term Loan 109	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 25-Sep-29	25-Dec-24	17,856.26	-
Term Loan 110	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months moratorium). Tenor: 48 months Maturity Date: 27-Sep-28	27-Dec-24	4,547.22	-
Term Loan 111	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Mar-28	29-Dec-24	2,131.74	-
Term Loan 112	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 31-Dec-29	31-Jan-25	1,890.69	-
Term Loan 113	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 25-Dec-28	31-Jan-25	6,958.61	-
Term Loan 114	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months moratorium). Tenor: 48 months Maturity Date: 28-Nov-28	28-Feb-25	6,188.85	-
Term Loan 115	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 28-Feb-30	31-Mar-25	4,918.01	-
Term Loan 116	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 Months Maturity Date: 28-Feb-29	31-Mar-25	4,873.15	-
Term Loan 117	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 01-Oct-29	01-Apr-25	4,980.96	-
Term Loan 118	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 60 months Maturity Date: 01-Apr-30	01-May-25	3,780.99	-
Term Loan 119	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 31-Dec-29	30-Jun-25	9,950.01	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term Loan 120	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly (3months Moratorium). Tenor: 60 months Maturity Date: 01-Jan-30	01-Jul-25	7,468.30	-
Term Loan 121	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 48 months Maturity Date: 31-Mar-29	31-Jul-25	7,473.83	-
Term Loan 122	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly (3months Moratorium). Tenor: 60 months Maturity Date: 01-Feb-30	01-Aug-25	7,467.26	-
Term Loan 123	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 19 months Maturity Date: 24-Sep-26	26-Sep-25	3,003.09	-
				3,83,820.52	**3,03,910.15**
From other financial institutions ("FIs"):					
Term loan from FIs 1	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 48 months Maturity Date: 10-Apr-25	10-May-21	41.90	543.96
Term loan from FIs 2	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly . Tenor: 36 months Maturity Date: 01-Mar-25	01-Jun-22	-	1,509.26
Term loan from FIs 3	First and Exclusive charge on the standard receivables with a security cover of 118%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 36 months Maturity Date: 22-Feb-26	22-Mar-23	1,688.14	3,354.39
Term loan from FIs 4	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 48 months Maturity Date: 10-Apr-27	10-May-23	2,089.25	3,087.95
Term loan from FIs 5	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 48 months Maturity Date: 10-Apr-27	10-May-23	522.24	771.86
Term loan from FIs 6	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 36 months Maturity Date: 02-May-26	05-Jun-23	1,953.85	3,621.81
Term loan from FIs 7	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 36 months Maturity Date: 30-May-27	05-Jul-24	5,265.60	-
Term loan from FIs 8	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly . Tenor: 36 months Maturity Date: 31-Mar-28	30-Apr-25	3,491.29	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

16 Borrowings (Other than debt securities) (refer note 16.1) (Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Term loan from FIs 9	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 36 months Maturity Date: 27-Mar-28	05-May-25	4,988.20	-
Term loan from FIs 10	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 36 months Maturity Date: 10-Mar-28	10-Jun-25	19,976.40	-
Term loan from FIs 11	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly . Tenor: 36 months Maturity Date: 01-Apr-28	01-Jul-25	3,989.99	-
				44,006.86	**12,889.23**

Particulars	Security	Earliest instalment date	As at 31 March 2025	As at 31 March 2024
Borrowing under securitisation:				
Borrowing under securitisation 1	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 36 months. Maturity Date: 20-Sep-25	20-Oct-22	157.50	1,711.58
Borrowing under securitisation 2	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 29 months. Maturity Date: 20-Feb-26	20-Oct-23	2,219.28	7,115.30
Borrowing under securitisation 3	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 29 months. Maturity Date: 20-Apr-26	20-Dec-23	1,118.79	3,190.71
Borrowing under securitisation 4	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 37 months. Maturity Date: 20-Jan-27	20-Jan-24	6,862.72	13,973.89
Borrowing under securitisation 5	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 38 months. Maturity Date: 20-April 27	20-Mar-24	5,213.78	9,809.58
Borrowing under securitisation 6	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS.Tenor: 39 months. Maturity Date: 20-Jun-27	20-Apr-24	2,854.48	4,972.18
Borrowing under securitisation 7	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 35 months. Maturity Date: 20-Jun-27	20-Apr-24	5,537.38	9,946.20
Borrowing under securitisation 8	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 43 months. Maturity Date: 20-Jan-28	20-Jul-24	21,009.46	-
Borrowing under securitisation 9	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 48 months. Maturity Date: 20-Jun-28	20-Jul-24	3,653.88	-
Borrowing under securitisation 10	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 37 months. Maturity Date: 20-Sep-27	20-Sep-24	3,685.36	-
Borrowing under securitisation 11	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 42 months. Maturity Date: 20-Feb-28	20-Sep-24	7,801.12	-
Borrowing under securitisation 12	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 44 months. Maturity Date: 20-May-28	20-Oct-24	3,985.67	-
Borrowing under securitisation 13	Repayment Terms: Monthly principal repayment , Interest Monthly. Tenor: 45 months. Maturity Date: 20-Sep-28	20-Jan-25	13,567.81	-
			77,667.23	**50,719.44**

Refer Note No 51 for security and credit enhancement details pertaining to borrowings from securitisation arrangements.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

17 Other financial liabilities (including lease liabilities)

Particulars	As at 31 March 2025	As at 31 March 2024
Lease liabilities (refer note 17.1)	2,913.70	3,040.30
Employee benefits payable	4,415.78	3,694.90
Remittances payable - derecognised financial instruments*	165.82	-
Other liabilities**	129.68	553.93
Total	**7,624.98**	**7,289.13**

*Represents the amount collected from underlying customers yet to be paid to the assignee representative as at reporting date.

** Represents amount deducted from and payable on behalf of customers, yet to be paid as at reporting date.

17.1 Disclosures under Ind AS 116

The Company has entered into leasing arrangements for premises as well as for furnitures and fixtures. ROU has been included under 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

Lease liabilities are recognised at weighted average incremental borrowing rate ranging between 9.50% and 12.23%.

(i) Maturity analysis of undiscounted lease payments

Particulars	As at 31 March 2025	As at 31 March 2024
Less than 1 year	1,779.14	1,521.40
1-2 years	1,014.88	1,256.31
2-3 years	334.67	452.24
3-4 years	80.95	147.19
4-5 years	27.43	63.46
> 5 years	11.08	24.40

(ii) Movement of Lease Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	3,040.30	2,951.53
Additions during the year	1,590.13	1,758.99
Interest on lease liabilities	327.52	318.63
Rent payment	(1,872.34)	(1,545.80)
Derecognition on termination of lease	(171.91)	(443.06)
Closing balance	**2,913.70**	**3,040.30**

(iii) For movement in carrying value of right of use assets, refer note 12.1.

(iv) Amounts recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a) Depreciation charge for right-of-use assets	1,625.58	1,347.29
b) Interest expense (included in finance cost)	327.52	318.63

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

17 Other financial liabilities (including lease liabilities) (Contd..)

(v) Cash Flows

Particulars	As at 31 March 2025	As at 31 March 2024
The total cash outflow of leases	1,872.34	1,517.86

18 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Provision for gratuity (refer note 34.2)	148.01	34.42
Provision for compensated absences	1,136.84	831.65
Impairment loss allowance for undrawn commitments	52.73	-
Total	**1,337.58**	**866.07**

Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to Impairment Loss on undrawn commitments

Gross exposure reconciliation

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	-	-	-	-
Additions during the year	12,898.41	-	-	12,898.41
Deletions during the year	-	-	-	-
As at the end of the year	**12,898.41**	**-**	**-**	**12,898.41**

Particulars	As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	-	-	-	-
Additions during the year	-	-	-	-
Deletions during the year	-	-	-	-
As at the end of the year	**-**	**-**	**-**	**-**

Reconciliation of ECL Balance

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	-	-	-	-
Additions during the year	52.73	-	-	52.73
Deletions during the year	-	-	-	
As at the end of the year	**52.73**	**-**	**-**	**52.73**

Particulars	As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	-	-	-	-
Additions during the year	-	-	-	-
Deletions during the year	-	-	-	-
As at the end of the year	**-**	**-**	**-**	**-**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

19 Other non-financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	701.15	557.76
Others*	38.76	30.31
	739.91	**588.07**

*Others represents fee income (net) with respect to loans which are under evaluation/ process of getting disbursed.

20 Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised		
202,000,000 (March 31, 2024: 136,980,000) equity shares of INR 10 each	20,200.00	13,698.00
Nil (March 31, 2024 : 44,136,448) compulsory convertible preference shares of INR 10 each	-	4,413.64
Nil (March 31, 2024: 13,922,368) compulsory convertible preference shares of INR 15 each	-	2,088.36
	20,200.00	**20,200.00**
Issued, subscribed and paid-up		
Fully paid-up		
Equity Shares		
131,284,209 (March 31, 2024: 127,017,947) equity shares of INR 10 each	13,128.42	12,701.79
Issued, subscribed, called and paid-up		
Partly paid-up		
Equity Shares		
Nil (March 31, 2024: 5,013,262) equity shares of INR 10 each, Re. 1 paid up	-	50.13
Forfeited share capital (refer note 20.9)		
800,000 (31 March 2024: Nil) equity shares	8.00	-
	13,136.42	**12,751.92**

Note: 1) During the Financial year 2023-24, in accordance with the memorandum of association, articles of association, and amended and restated shareholders agreement dated 21 June 2023, executed among the Company and the shareholders, all Compulsory convertible preference shares (CCPS) as mentioned in note 20.1 were converted into Equity shares of INR 10 each at a ratio of 1:1. The same was approved via board resolution dated 15 September 2023.

2) During the Financial year 2024-25, the authorised share capital of the Company amounting to INR 6,502 lakhs, was reclassified from CCPS to equity share capital, vide board resolution dated 10 June 2024.

20.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each				
At the commencement of the year	13,20,31,209	12,751.92	6,11,73,719	4,920.49
Add: Equity shares issued during the year- ESOP*	53,000	5.30	18,73,000	187.30
Add: Equity shares issued during the year- fully paid up	-	-	82,36,723	823.67
Add: Equity shares issued during the year- partly paid up (refer note 20.9)	-	-	26,89,518	26.90
Add: Proceeds on conversion of partly paid equity shares to fully paid equity shares	-	379.20	-	987.74
Less: Equity shares forfeited during the year (refer note 20.9)	(8,00,000)	(8.00)	-	-
Add: Converted during the year	-	-	5,80,58,249	5,805.82
At the end of the year**	**13,12,84,209**	**13,128.42**	**13,20,31,209**	**12,751.92**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

20 Equity share capital (Contd..)

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Forfeited Equity shares of ₹ 10 each				
At the commencement of the year	-	-	-	-
Add: Forfeited during the year	8,00,000	8.00	-	-
At the end of the year	**8,00,000**	**8.00**	**-**	**-**

* Shares reserved for issue under option

Information relating to Employee Stock Option Schemes including details of options issued, exercised and lapsed during the reporting year and options outstanding at the end of the reporting year, is set out in note 40

During the Financial year 2024-25, the Company allotted 53,000 equity shares (31 March 2024: 18,73,000) to employees who exercised their options under ESOP scheme.

**Includes partly paid up shares to the extent of Nil as at 31 March 2025 (5,013,262 as at 31 March 2024), equity shares of INR 10 each, INR 1 paid up

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Series B: 0.01% CCPS of ₹ 10 each				
At the commencement of the year	-	-	2,36,55,716	2,365.57
Add: Issued during the year	-	-	-	-
Less: Converted into equity shares during the year	-	-	2,36,55,716	2,365.57
At the end of the year	**-**	**-**	**-**	**-**
Series C& E: 0.0001% CCPS of ₹ 10 each				
At the commencement of the year	-	-	2,04,80,732	2,048.07
Add: Issued during the year	-	-	-	-
Less: Converted into equity shares during the year	-	-	2,04,80,732	2,048.07
At the end of the year	**-**	**-**	**-**	**-**
Series D: 0.0001% CCPS of ₹ 15 each				
At the commencement of the year	-	-	1,39,21,801	2,088.27
Add: Issued during the year	-	-	-	-
Less: Converted into equity shares during the year	-	-	1,39,21,801	1,392.18
Less: Transfer to securities premium on conversion of CCPS during the year	-	-	-	696.09
At the end of the year	**-**	**-**	**-**	**-**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

20 Equity share capital (Contd..)

20.2 Details of Promoter Holdings

The Company had identified Mr. D. Arulmany and Ms. Vidya Arulmany as the promoters of the Company. Pursuant to the resolution passed by the Board of Directors on 19 December 2024 considering the extant regulations of Securities Exchange Board of India, the Company does not have any identifiable promoter in terms of Companies Act, 2013.

Consequent to the above, on 20 December 2024, the Company has revised the annual return filed with Ministry of Corporate Affairs for the year ended 31 March 2024. Accordingly, there are no promoter holding as at and for the year ended 31 March 2025. For disclosure relating to the year ended 31 March 2024, refer below table:

Details as at 31 March 2024

Name of the Promoter	No of Shares as at 01 April 2023	Opening % of Shares	Movement during the year	No of Shares as at 31 March 2024	Closing % of Shares	% of Change during the year
Equity Shares						
Fully paid up shares						
D. Arulmany	33,50,000	2.81%	78,86,229	1,12,36,229	8.51%	5.70%
Vidya Arulmany	5,00,000	0.42%	-	5,00,000	0.38%	-0.04%
Partly paid up shares						
D. Arulmany	1,32,98,744	11.15%	(95,85,482)	37,13,262	2.81%	-8.34%

20.3 Details of shareholders holding more than 5% shares of each class of shares

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% Holding	No. of shares*	% Holding
Equity shares of ₹ 10				
Norwest Venture Partners X Mauritius	2,87,50,308	21.90%	2,87,50,308	21.78%
Kedaara Capital Fund II LLP	2,00,87,374	15.30%	2,00,87,374	15.21%
British International Investment Plc.**	1,37,60,568	10.48%	1,37,60,568	10.42%
D. Arulmany	1,24,49,491	9.48%	1,49,49,491	11.32%
Lok Capital Growth Fund	1,07,57,276	8.19%	1,07,57,276	8.15%
Multiples Private Equity Fund III	1,02,95,904	7.84%	1,02,95,904	7.80%
Venus Investments Private Limited	1,02,95,904	7.84%	1,02,95,904	7.80%

* includes 37,13,262 of partly paid up equity shares of INR 10 each (INR 1 paid up) as at 31 March 2024.

** Previously known as CDC Group Plc, renamed as British International Investment Plc with effect from 4 April 2022

20.4 Rights, preferences and restrictions attached to each class of shares

A. Equity shares

The Company has a single class of equity shares. Each holder is entitled to one vote per equity share. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the General Meeting, except in the case of interim dividend.

The holders of partly paid equity shares are entitled to one vote on every partly paid equity share in the same manner as if the shares were fully paid up.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

20 Equity share capital (Contd..)

B. i) Series B : 0.01% Compulsory Convertible Preference Shares

Series B 0.01% CCPS having a par value of INR 10 is convertible in the ratio of 1:1 and are treated pari-passu with equity shares on all voting rights. The issued terms offered for conversion at the option of the preference shareholders. The CCPS if not converted by the preference shareholders were compulsorily converted into equity shares upon any of the following events:

a. In connection with an IPO, immediately prior to the filing of an offer document (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable Law at the relevant time; or

b. Prior to an exit if required by the purchaser pursuant to a financial or strategic sale under Clause 9 of the Shareholders Agreement ; and

c. The final conversion date is 3 May 2036.

Till conversion, the holders of CCPS were entitled to a dividend of 0.01%, if any, declared upon profits of the Company and a proportionate dividend, if any declared on equity shares on 'as converted' basis.

During the financial year 2017-18, 2,150,539 out of 25,806,255, Series B 0.01% Compulsory Convertible Preference Shares (CCPS) were converted into equity shares on 13 July 2017.

During the financial year 2023-24, the balance outstanding in Series B of 23,655,716, 0.01% CCPS were converted into equity shares of INR 10 each at a ratio of 1:1. The same was approved via board resolution dated 15 September 2023.

ii) Series C : 0.0001% Compulsory Convertible Preference Shares

Series C 0.0001% CCPS having a par value of INR 10 is convertible in the ratio of 1:1 and are treated pari-passu with equity shares on all voting rights. The issued terms offered for conversion at the option of the preference shareholders. The CCPS if not converted by the preference shareholders were compulsorily converted into equity shares upon any of the following events:

a. In connection with an IPO, immediately prior to the filing of an offer document (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable Law at the relevant time; or

b. Prior to an exit if required by the purchaser pursuant to a financial or strategic sale under Clause 9 of the Shareholders Agreement ; and

c. The final conversion date is 10 May 2037.

Till conversion, the holders of CCPS were entitled to a dividend of 0.0001%, if any, declared upon profits of the Company and a proportionate dividend, if any declared on equity shares on 'as converted' basis.

During the financial year 2023-24, the entire outstanding shares of 5,494,514 in Series C, 0.0001% CCPS were converted into equity shares of INR 10 each at a ratio of 1:1. The same was approved via board resolution dated 15 September 2023.

iii) Series D : 0.0001% Compulsory Convertible Preference Shares

Series D 0.0001% Compulsory Convertible Preference Shares (CCPS) having a par value of INR 15 is convertible in the ratio of 1:1 and are treated pari-passu with equity shares on all voting rights. The issued terms offered for conversion at the option of the preference shareholders. The CCPS if not converted by the preference shareholders were compulsorily converted into equity shares upon any of the following events:

a. In connection with an IPO, immediately prior to the filing of an offer document (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable Law at the relevant time; or

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

20 Equity share capital (Contd..)

b. Prior to an exit if required by the purchaser pursuant to a financial or strategic sale under Clause 9 of the Shareholders Agreement; and

c. The final conversion date is 19 September 2038.

Till conversion, the holders of CCPS were entitled to a dividend of 0.0001%, if any, declared upon profits of the Company and a proportionate dividend, if any declared on equity shares on 'as converted' basis.

During the financial year 2023-24, the entire outstanding shares of 13,921,801 in Series D, 0.0001% CCPS were converted into equity shares of INR 10 each at a ratio of 1:1. The same was approved via board resolution dated 15 September 2023.

iv) Series E : 0.0001% Compulsory Convertible Preference Shares

Series E 0.0001% Compulsory Convertible Preference Shares (CCPS) having a par value of INR 10 is convertible in the ratio of 1:1 and are treated pari-passu with equity shares on all voting rights. The issued terms offered for conversion at the option of the preference shareholders. The CCPS if not converted by the preference shareholders were compulsorily converted into equity shares upon any of the following events:

a. In connection with an IPO, immediately prior to the filing of an offer document (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable Law at the relevant time; or

b. Prior to an exit if required by the purchaser pursuant to a financial or strategic sale under Clause 9 of the Shareholders Agreement ; and

c. The final conversion date is 26 February 2039.

Till conversion, the holders of CCPS were entitled to a dividend of 0.0001%, if any, declared upon profits of the Company and a proportionate dividend, if any declared on equity shares on 'as converted' basis.

During the financial year 2023-24, the entire outstanding shares of 14,986,218 in Series E, 0.0001% CCPS were converted into equity shares of INR 10 each at a ratio of 1:1. The same was approved via board resolution dated 15 September 2023.

20.5 Employee Stock Option Scheme

Refer note 40 for details of Employee Stock Option Scheme issued by the Company

20.6 Preferential offer to Mr. D. Arulmany, Managing Director and Chief Executive Officer

During the year 2023-24, the Company has issued 1,389,518 partly paid equity shares of INR 10 each at a premium of INR 475.63 per share each paid up to the extent of INR 1 per share to Mr. D. Arulmany, Managing Director and Chief Executive Officer through preferential allotment and private placement. The unpaid amount of INR 484.63 per share including premium was called for during July 2024.

20.7 There are no bonus shares, non-cash shares issued in the last 5 years

20.8 Share warrants to certain employees

The Company vide its Investment Agreement dated 01 June 2017 read with amended agreement dated 12 October 2018 has provided certain preferential rights to certain employees of the Company, to subscribe to an aggregate of 266,667 equity shares of the Company at a pre-determined price of INR 75 per share, not later than 30 November 2023 (the Board of Directors and shareholders of the Company had extended the last date from 30 November 2022 to 30 November 2023, vide resolutions passed at board meeting and extraordinary general meeting dated 10 August 2022 and 02 September 2022 respectively).

Further, the Company vide its first amendment agreement dated 30 November 2023 to the amended and restated shareholders agreement dated 21 June 2023 and resolution passed at the extraordinary general meeting dated 23 December 2023, had extended the last date from 30 November 2023 to 31 March 2024.

Subsequently, the warrants were not exercised by the employees and the same stands extinguished as at 31 March 2024.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

20 Equity share capital (Contd..)

20.9 Partly paid shares

As at March 31, 2023, the Company had 1,32,98,744 partly paid up shares of INR 1 per share . During the year ended 31 March 2024, the Company issued additional partly paid equity shares of 2,689,518 of INR 1 per share and converted 10,975,000 partly paid equity shares to fully paid equity share pursuant to the board resolution passed on 05 July 2023 resulting in 50,13,262 partly paid up share as at 31 March 2024.

During the Financial year 2024-25, the Board of Directors of the Company at its meeting held on 16 July 2024 has called for money payable on 50,13,262 partly paid equity shares of the Company. Consequently, Company collected INR 379.19 lakhs towards equity capital and INR 13,754.74 lakhs towards securities premium aggregating to INR 14,133.93 lakhs on the partly paid-up equity shares and converted the same to fully paid-up equity shares. Further, 800,000 partly paid-up equity shares were forfeited pursuant to the provision in Articles of Association of the Company and in accordance with the applicable provisions and rules of the Companies Act, 2013 for non-payment of call money.

21 Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium	1,71,989.46	1,58,123.15
Retained earnings	71,576.88	48,216.81
Statutory reserve as per Section 45-IC of the RBI Act, 1934	18,277.70	12,375.47
Share options outstanding account	3,337.00	1,488.00
	2,65,181.04	**2,20,203.43**

i. Securities premium

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	1,58,123.15	1,10,359.44
Add: Premium on shares issued during the year	13,825.32	47,217.88
Add: Premium on conversion of preference shares issued during the year (refer note below)	-	696.09
Add: Transfer from share options outstanding account on exercise of options	40.99	585.60
Less: Utilised during the year for share issue expenses	-	(735.86)
Closing balance	**1,71,989.46**	**1,58,123.15**

Note: During the Financial year 2023-24, in accordance with the memorandum of association, articles of association, and amended and Shareholder's agreement dated 21 June 2023, executed among the Company and the shareholders, all Compulsory convertible preference shares (CCPS) as mentioned in note 20.1 were converted into Equity shares of INR 10 each at a ratio of 1:1. The same was approved via board resolution dated 15 September 2023.

ii. Retained earnings

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	48,216.81	28,568.88
Add: Net Profit for the year	29,511.16	24,505.26
Less : Appropriations		
- Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	(5,902.23)	(4,901.05)
Add: Transfer from other comprehensive income	(291.99)	43.72
Add: Transfer from Share options outstanding account on lapse of options	43.13	-
Closing balance	**71,576.88**	**48,216.81**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

20 Equity share capital (Contd..)

iii. Statutory reserve as per Section 45-IC of the RBI Act, 1934

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	12,375.47	7,474.42
Add: Amount transferred from Retained earnings	5,902.23	4,901.05
Closing balance	**18,277.70**	**12,375.47**

iv. Share options outstanding account

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	1,488.00	1,300.46
Add: Share based payment expense	1,933.12	773.14
Less : Transfer to securities premium on allotment of shares	(40.99)	(585.60)
Less : Transfer to retained earnings on lapse of options	(43.13)	-
Closing balance	**3,337.00**	**1,488.00**

The Company has established equity-settled share based payment plans for certain categories of employees of the Company. Also refer note 40 for further details of these plans.

Notes:

a. Securities premium reserve is used to record the premium on issue of shares. The premium received during the year represents the premium received towards allotment of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.

b. Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to general reserve or any such other appropriations to specific reserves.

c. Statutory reserve represents the reserve created as per Section 45-IC of the RBI Act, 1934 pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit after tax annually as disclosed in the Statement of Profit and Loss account.

d. Share options outstanding account represents reserve created to the extent of granted options based on the Employees Stock Option Schemes. Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

22 Interest income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(On financial assets measured at amortised cost)		
Interest income on loans	1,43,999.12	1,02,933.09
Interest income on deposits with Bank	3,238.51	2,697.12
Interest income on Government Securities	28.32	-
Interest income on security deposits	180.11	76.23
	1,47,446.06	**1,05,706.44**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

23 Fee and commission income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Legal and documentation fees	288.38	868.15
Instrument bounce charges	1,187.95	930.51
Preclosure charges	1,579.87	1,069.81
Penal charges	344.18	247.83
Others*	83.04	70.00
	3,483.42	**3,186.30**

* Income in the nature of statement of accounts, cancellation charges, tranche disbursement charges are included.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Timing of revenue recognition:		
- That are recognised over a period of time	-	-
- That are recognised at a point of time	3,483.42	3,186.30
Geographical Market		
- In India	3,483.42	3,186.30
- Outside India	-	-
Contract Balances		
- Trade receivables (net of ECL)	-	-

24 Net gain / (loss) on fair value changes

Net gain on financial instruments at fair value through profit or loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On trading portfolio		
- Mutual fund investments - Realised	2,487.65	2,220.54
- Mutual fund investments - Unrealised	20.79	-
	2,508.44	**2,220.54**

25 Sale of services

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Service fees for management of securitised loans	42.10	7.07
	42.10	**7.07**
Timing of revenue recognition:		
- That are recognised over a period of time	-	-
- That are recognised at a point of time	42.10	-
Geographical Market		
- In India	42.10	-
- Outside India	-	-
Contract Balances		
- Trade receivables (net of ECL)	-	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

26 Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit on:		
- Sale of property, plant and equipment (net)	-	11.06
- Disposal of right of use asset	20.55	30.72
Interest on income tax refund	1.57	-
Advertisement income	649.91	587.20
	672.03	**628.98**

27 Finance costs

On financial liabilities measured at amortised cost

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on borrowings other than debt securities		
- term loans from banks	33,892.68	25,496.42
- cash credits and overdraft from banks	2.93	4.25
- term loans from others	1,550.65	1,670.76
- securitisation	7,726.96	1,416.28
Interest on debt securities	4,808.43	2,535.30
Interest expenses on lease liabilities	327.52	318.63
	48,309.17	**31,441.64**

28 Fees and commission expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Fees and commission expense	230.54	435.24
	230.54	**435.24**

29 Impairment on financial instruments

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
At amortised cost		
Impairment loss allowance:		
- on loans - measured at amortised cost	7,152.36	3,112.28
- on receivables and other financial assets - measured at amortised cost	(0.87)	8.54
- on undrawn commitments	52.73	-
Loans written off	10,821.93	6,522.46
Recovery on loans written off	(891.95)	(626.72)
	17,134.20	**9,016.56**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

30 Employee benefits expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, bonus and wages	35,007.50	24,729.27
Contribution to provident fund and ESI	1,951.44	1,477.07
Expenses related to gratuity (refer note 34)	472.82	969.41
Expenses related to compensated absences	500.04	600.76
Share based payment expense (refer note 40)	1,933.12	773.14
Staff welfare expenses	846.08	611.28
	40,711.00	**29,160.93**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 03 May 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

31 Depreciation and amortization

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (including right of use asset)	2,518.63	2,175.99
Amortisation of intangible assets	370.73	180.34
	2,889.36	**2,356.33**

32 Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Energy costs	201.35	172.76
Rates and taxes	936.74	662.16
Repairs and maintenance	474.62	372.69
Communication costs	391.42	469.51
Printing and stationery	216.74	190.91
Advertisement and business promotion	281.97	137.48
Directors fees, allowances and expenses	63.55	97.00
Auditors' fees and expenses (refer note 32.1)	156.00	53.68
Legal and professional charges	1,842.56	1,429.07
Insurance	23.98	20.03
Corporate social responsibility expenses (refer note 32.3)	475.70	304.30
Travel and conveyance expenses	1,134.09	2,138.40
Information technology expenses	1,172.37	766.56
Cash Management Services	238.53	221.99
Bank Charges	5.41	2.39
Loss on sale of property, plant and equipment (net)	12.21	-
Other expenses*	6.13	3.25
	7,633.37	**7,042.17**

* Represents expenses towards periodical expenses, CERSAI charges, etc.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

32 Other expenses (Contd..)

32.1 Payments to auditors (including accruals)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Statutory audit including interim audits, limited reviews and certificates (refer note 1 & 2 below)	148.32	50.00
Tax audit	2.06	-
Other services	-	-
Reimbursement of expenses	5.62	3.68
	156.00	**53.68**

Note 1: During the Financial year 2024-25, the payment to auditors excludes remuneration to current auditor in connection with proposed initial public offer of equity shares of the Company which is included under share issue expenses (refer note 13). These costs will also be recovered by the Company from the selling shareholders as a part of agreement.

Note 2: During the Financial year 2023-24, payment to auditors represents INR 50 lakhs paid to predecessor auditors.

32.2 Expenditure and earnings in foreign currency (on accrual basis)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Expenditure in foreign currency		
Advertisement Expenses	0.25	-
(b) Remittances in Foreign Currency		
Offer expenses in connection with the proposed Initial Public Offer *	330.95	-
(c) There are no dividend paid in foreign currency		

* Represents expense incurred in connection with proposed initial public offer of equity shares of the Company, included in share issue expenses (refer note 13).

32.3 Details of expenditure on corporate social responsibility (CSR)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Gross amount required to be spent by the Company during the year*	475.70	304.30
(b) Amount approved by the Board to be spent during the year*	475.70	304.30
(c) Amount spent during the year (in cash) :		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	118.00	153.00
(d) Details of related party transactions out of the above- contribution to a trust - Veritas Foundation	475.70	100.00

*Represents the amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 and amount approved by the Board for the year ended 31 March 2025 and 31 March 2024.

The primary nature of expenses include education, health care and sanitation and transfer of funds to the Veritas Foundation from where the ultimate spend would be monitored.

(e) (i) In case of S. 135(5) (other than ongoing project)**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	-	-
Amount deposited in Specified Fund of Sch. VII within 6 months/ transferred to a specified bank account	-	-
Amount required to be spent during the year	118.00	153.00
Less: Amount spent during the year	(118.00)	(153.00)
Closing balance	**-**	**-**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

32 Other expenses (Contd..)

(e) (ii) In case of S. 135(6) (ongoing project)**

Particulars	Opening Balance		Amount required to be spent during the year	Spent during the year from		Closing Balance	
	With Company	In Separate CSR Unspent AC		Company's Bank AC	In Separate CSR Unspent AC	With Company	In Separate CSR Unspent AC
From 01 April 2024 to 31 March 2025	-	151.30	357.70	-	123.24	357.70	28.06

Particulars	Opening Balance		Amount required to be spent during the year	Spent during the year from		Closing Balance	
	With Company	In Separate CSR Unspent AC		Company's Bank AC	In Separate CSR Unspent AC	With Company	In Separate CSR Unspent AC
From 01 April 2023 to 31 March 2024	-	-	151.30	-	-	-	151.30

Note: As at 31 March 2024, an amount of INR 151.30 lakhs was recognised as shortfall towards the ongoing project approved by the CSR Committee and Board of Directors meeting held on 23 November 2023 and 24 November 2023 respectively.On 03 April 2024 , this unspent amount was transferred to a Designated Unspent Corporate Social Responsibility Account with a scheduled commercial bank as per circular E-file no.CSR-05/01/2021-CSR-MCA dated 25 August 2021 and subsequently out of funds in this earmarked bank account, INR 123.24 lakhs was incurred by the trust towards the ongoing project during the year. Balance of INR 28.06 lakhs is still lying in the Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank as at 31 March 2025.

** During the Financial Year ended 31 March 2025, the Company has transferred INR 475.70 lakhs to Veritas Foundation out of which the foundation has utilised INR 118 lakhs as at March 31, 2025. The balance unspent CSR amount of INR 357.70 lakhs as at 31 March 2025 identified towards ongoing project has been subsequently transferred to a Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank as per circular E-file no.CSR-05/01/2021-CSR-MCA dated 25 August 2021.

33 Income tax

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
The component of income tax expenses:		
Current income tax:		
Current income tax charge	11,491.16	8,834.00
Changes in estimates related to prior years	-	-
Current tax - in respect of prior years	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences:		
Deferred tax expense reported in the statement of profit and loss	(2,170.00)	(1,042.80)
Income tax expense recognised in the statement of profit and loss	**9,321.16**	**7,791.20**
Deferred tax expense recognised in OCI Section		
Deferred tax related to items recognised in OCI during the year:		
Net (loss)/gain on remeasurements of defined benefit plans	(98.20)	14.71
Deferred tax charged to OCI	**(98.20)**	**14.71**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

33 Income tax (Contd..)

33.1 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the financial year 2024-25 and financial year 2023-24

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Accounting profit before tax	38,832.32	32,296.46
Applicable income tax rate	25.17%	25.17%
Computed income tax expense	9,773.32	8,128.37
Tax effect of :		
Permanent differences:	(452.16)	(337.07)
- Impact deduction u/s 80JJAA	(592.53)	(479.48)
- Expenses /provisions not deductible in determining taxable profit	-	18.52
- Impact of difference in tax base for donations and CSR expense	119.72	76.59
- Others	20.65	47.30
- Share based payment expense – No deduction claimed under tax	-	-
Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years	**9,321.16**	**7,791.20**

Note: The Company has elected to exercise the option permitted under section 115BAA of the Income tax Act, 1961, as introduced by the Taxation laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax and remeasured its net deferred tax asset at concessional rate for the financial year ended 31 March 2025 and year ended 31 March 2024 with effect from 23 October 2020.

34 Employee benefits

34.1 Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as expense towards contribution to provident fund for the year ended 31 March 2025 aggregated to INR 1,725.40 lakhs (31 March 2024 - INR 1,276.90 lakhs).

34.2 Defined benefit plans

Gratuity

The defined benefit plans expose the Company to risks such as Actuarial risk, Liquidity risk, Market risk, Legislative risk. These are discussed as follows:

Actuarial risk : It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse salary growth experience : Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates : If actual mortality rates are higher than assumed mortality rate assumption then the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates : If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefit will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

34 Employee benefits (Contd..)

Investment risk : For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk : Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Company there can be strain on the cash flows.

Market risk : Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk : Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Details of Actuarial valuation of gratuity pursuant to Ind AS 19:

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components

Particulars	As at 31 March 2025	As at 31 March 2024
A. Change in present value of defined benefit of obligations		
Change in defined benefit obligations during the year		
Present value of defined benefit obligation at the beginning of the year	1,393.42	533.88
Current service cost	284.04	162.43
Past Service Cost	212.36	794.89
Interest cost	87.30	35.92
Benefits paid and Charges deducted from the fund	(267.38)	(25.58)
Direct benefits paid by the Company	-	(45.98)
Impact of Change in Assumptions on Plan Liabilities-loss/(gain)		
- changes in financial assumptions	18.51	(35.98)
- changes in demographic assumptions	(98.27)	(443.67)
Experience adjustments on plan liabilities -loss	359.51	417.52
Present value of defined benefit obligation at the end of the year	**1,989.49**	**1,393.42**
B. Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	1,359.01	-
Expected return on plan assets	110.88	23.83
Contributions to the fund	749.41	1,364.46
Direct Contributions to meet direct benefit payments	-	45.98
Benefits paid and Charges deducted from the fund	(267.38)	(25.58)
Direct benefits paid by the Company	-	(45.98)
Actuarial (loss)/ gain recognised in other comprehensive income	(110.44)	(3.70)
Fair value of plan assets at the end of the year	**1,841.48**	**1,359.01**
C. Actual return on plan assets		
Expected return on plan assets	110.88	23.83
Actuarial gain / (loss) on plan assets	(110.44)	(3.70)
Actual return on plan assets	**0.44**	**20.13**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

34 Employee benefits (Contd..)

Particulars	As at 31 March 2025	As at 31 March 2024
D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets		
Present value of defined benefit obligations at the end of the year	1,989.49	1,393.42
Fair value of plan assets	1,841.48	1,359.01
Net liability recognised in balance sheet	**148.01**	**34.42**
The liability in respect of the gratuity plan comprises of the following non-current and current portions:		
Current	148.01	34.42
Non-current	-	-
	148.01	**34.42**
E. Expense recognised in statement of profit and loss		
Current service cost	284.04	162.43
Past service cost	212.36	794.89
Interest cost	87.30	35.92
Expected return on plan assets	(110.88)	(23.83)
Net cost recognized in the statement of profit and loss	**472.82**	**969.41**
F. Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	279.75	(62.13)
Actuarial loss/ (gain) on plan assets	110.44	3.70
	390.19	**(58.43)**
G. Assumptions at balance sheet date		
Discount rate (refer note (c))	6.35%	6.93%
Interest rate (rate of return on assets)	6.35%	6.93%
Future salary increase (refer note (a))	13.79%	13.80%
Mortality table	Indian Assured Lives (2012 - 14)	Indian Assured Lives (2012 - 14)
Attrition rate (refer note (a))	54.14%	49.41%

Notes :

a) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Company.

b) During the Financial year 2023-24, the Company established a trust for the purpose of covering the gratuity payable to employees as per Payment of Gratuity Act, 1972 in association with SBI Life Insurance Company Limited.

c) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

34 Employee benefits (Contd..)

d) Experience adjustments:

Particulars	As at 31 March 2025	As at 31 March 2024
Defined benefit obligation	1,989.49	1,393.42
Fair value of plan assets	1,841.48	1,359.01
Surplus / (deficit)	(148.01)	(34.42)
Experience adjustments on plan liabilities - (loss) / gain	(359.51)	(417.52)
Impact of change in assumptions on plan liabilities-(loss) / gain	79.75	479.66
Actuarial gain / (loss) on plan assets	(110.44)	(3.70)

e) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate		
- 0.5% increase	(24.40)	(15.92)
- 0.5% decrease	17.64	16.28
Future salary growth		
- 0.5% increase	17.04	15.86
- 0.5% decrease	(24.29)	(15.85)
Attrition rate		
- 0.5% increase	(12.68)	(6.37)
- 0.5% decrease	5.67	6.50

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Additional disclosures under Ind AS 19

Particulars	As at 31 March 2025	As at 31 March 2024
Average duration of defined benefit obligations (in years)	2.25	2.50
Projected undiscounted expected benefit outgo		
Year 1	917.90	585.94
Year 2	495.04	348.02
Year 3	325.45	232.38
Year 4	214.03	165.56
Year 5	131.59	116.83
Next 5 Years	136.24	145.54
Expected benefit payments for the next annual reporting year	917.90	585.94

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

35 Segment information

An operating segment is a Component of the Company that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director and Chief Executive Officer ('MD & CEO') to make decisions about resource to be allocated to the segments and assess their performance. The MD & CEO is considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 Operating Segments.

The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated reporting segments. The Company is primarily engaged in extending credit to micro and small enterprises typically self-employed business and salaried segment. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 Operating Segments. Accordingly, amounts appearing in these financial statements relates to extending credit to micro and small enterprises typically self-employed business and salaried segment.

The Company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per Ind AS 108 Operating Segments.

No single customer accounts for the revenue, which is equal or more than ten percent of the total revenue of the entity, hence no such segment could be identified.

36.1 Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Claims against the Company not acknowledged as debt	6.14	16.65
Income tax and GST related matters (refer note 1 and note 2)	-	269.20
Bank Guarantee	25.00	25.00

Note:

1 The Income tax and GST related matters of the Financial Year 2023-24, includes INR 214.46 lakhs with respect to show cause notice received from the GST authorities, against which representation has been made by the Company and subsequently dropped by the GST authority vide order dated 31 May 2024.

2 The Income tax and GST related matters of the Financial year 2023-24, includes INR 54.74 lakhs with respect to the assessment proceedings for FY 2017-18. In this regard, the Company received a favourable order from the CIT(A) on 25 September 2024.

36.2 Commitments

Particulars	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for:		
- Future lease payments for non cancellable lease contracts - also refer note 17.1	589.26	441.31
- Commitment to purchase property, plant and equipment and intangible assets	83.46	21.45
Undrawn committed sanctions to borrowers	12,898.41	22,891.84

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

37 Earnings per share (EPS)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit for the year	29,511.16	24,505.26
Weighted average number of shares outstanding during the year for calculation of basic EPS**	**13,15,24,993**	**12,86,80,821**
Effect of dilutive potential shares:		
Employee stock options and share warrants	10,91,470	12,44,692
Weighted average number of shares outstanding during the year for calculation of diluted EPS**	**13,26,16,463**	**12,99,25,513**
Face value per share	10.00	10.00
Earnings per share (in INR)		
- Basic	22.44	19.04
- Diluted	22.25	18.86

Note : Basic and diluted earnings per share disclosed for the year to date from 01 April 2023 to 31 March 2024 is now computed to include ordinary shares to be issued upon conversion of compulsorily convertible preference shares as per the requirements of Ind AS 33 – Earnings Per Share, as compared to the basic earnings per share and diluted earnings per share reported earlier by the Company in the financial statements for the year ended 31 March 2024.

**The weighted average number of shares includes equity shares and compulsorily convertible preference shares.

38 Related party transactions

38.1 Names of related parties and nature of relationship

Key Managerial Personnel	Mr. Abhijit Sen, Independent Director (Upto 21 May 2024)
	Mr. M Sivaraman, Independent Director (Upto 21 May 2024)
	Mr. N Mohan Raj, Independent Director (Upto 21 May 2024)
	Mr. Suresh Subramanian , Independent Director (effective from 23 December 2023) (additional director for the period 24 November 2023 to 22 December 2023)
	Mr. Mathew Joseph, Independent Director (effective from 23 December 2023) (additional director for the period 24 November 2023 to 22 December 2023)
	Mr. Sankarson Banerjee, Independent Director (effective from 20 April 2024) (additional director for the period 27 March 2024 to 19 April 2024)
	Mr. Raj Vikash Verma, Non- Executive Chairman & Independent Director (effective from 30 September 2024) (additional director for the period 16 July 2024 to 29 September 2024)
	Ms. Susan Thomas, Independent Director (effective from 30 September 2024) (additional director for the period 16 July 2024 to 29 September 2024)
	Mr. D. Arulmany, Managing Director and Chief Executive Officer
	Mr. V.G. Suchindran, Chief Financial Officer (Upto 13 September 2024)
	Ms. Laxmi, Chief Financial Officer (Effective from 16 September 2024 to 02 March 2025)
	Mr. Naveen Raj R, Chief Financial Officer (Effective from 03 March 2025)
	Ms. V. Aruna, Company Secretary and Compliance Officer
Entity with significant influence by key management personnel	Veritas Foundation*
Post Employment Benefit Funds	Veritas Employees Gratuity Trust

* The Veritas Foundation is a trust established to undertake the CSR activities of the Company, in which significant influence is exercised by Key Management Personnel. However, the Veritas Foundation does not meet the definition of control as defined under Ind AS 110 - Consolidated Financial Statements; therefore, the requirement to prepare consolidated financial statements is not applicable.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

38 Related party transactions (Contd..)

38.2 Transactions during the year

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Veritas Foundation		
CSR contribution	598.94	100.00
Veritas Employees Gratuity Trust		
Contribution	0.02	-
Remuneration to Key Managerial Personnel		
Short-term employee benefits		
Mr. D. Arulmany	274.88	221.98
Mr. V.G. Suchindran	70.08	163.57
Ms. S V Laxmi	21.29	-
Mr. Naveen Raj R	13.37	-
Ms. V. Aruna	17.81	13.64
Post employment benefits		
Mr. V.G. Suchindran	93.24	-
Share based payments		
Mr. V.G. Suchindran	-	7.96
Ms. S V Laxmi	1.92	-
Mr. Naveen Raj R	18.53	-
Ms. V. Aruna	4.52	7.08
Director sitting fees - Short term		
Mr. Abhijit Sen	1.00	7.25
Mr. M Sivaraman	0.75	5.25
Mr. N Mohan Raj	1.25	8.50
Mr. Suresh Subramanian	15.80	1.25
Mr. Mathew Joseph	15.20	1.25
Mr. Sankarson Banerjee	11.95	-
Mr. Raj Vikash Verma	8.30	-
Ms. Susan Thomas	9.30	-
Commission to Directors - Short term		
Mr. Abhijit Sen	-	20.00
Mr. M Sivaraman	-	20.00
Mr. N Mohan Raj	-	20.00
Mr. Suresh Subramanian	20.00	6.50
Mr. Mathew Joseph	20.00	6.50
Mr. Sankarson Banerjee	20.00	0.50
Mr. Raj Vikash Verma	30.00	-
Ms. Susan Thomas	20.00	-
Partly paid up equity shares issued during the period (in numbers)		
Mr. D. Arulmany, Managing Director and Chief Executive Officer	-	13,89,518
Mr. V.G. Suchindran, Chief Financial Officer	-	8,00,000
Receipt of call money from issue of partly paid up shares		
Mr. D. Arulmany	-	13.90
Mr. V.G. Suchindran	-	8.00
Forfeiture of partly paid up shares		
Mr. V.G. Suchindran	8.00	-
Receipt of pending call money of partly paid up shares		
Mr. D. Arulmany	334.19	987.75
Receipt of securities premium**		
Mr. D. Arulmany	11,376.59	6,880.58

**Amount excludes transfer from Share Based Payment reserve to Securities Premium on exercise of employee stock option

Note : Amount disclosed above does not include post employment benefit attributable to Key Managerial Personnel & other non-monetary perquisites given to Key Managerial Personnel as per terms of employment.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

38 Related party transactions (Contd..)

38.3 Balances as at the year-end:

Particulars	As at 31 March 2025	As at 31 March 2024
Employee benefits payable		
Mr. D. Arulmany	58.50	50.00
Mr. V.G. Suchindran	-	42.50
Ms. S V Laxmi	-	-
Mr. Naveen Raj R	2.59	-
Ms. V. Aruna	1.58	1.50
Director commission payable		
Mr. Abhijit Sen	-	20.00
Mr. M Sivaraman	-	20.00
Mr. N Mohan Raj	-	20.00
Mr. Suresh Subramanian	20.00	6.50
Mr. Mathew Joseph	20.00	6.50
Mr. Sankarson Banerjee	20.00	0.50
Mr. Raj Vikash Verma	30.00	-
Ms. Susan Thomas	20.00	-

38.4 Terms and conditions of transactions with related parties

All the transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances as at the period/year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

39 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 and 31 March 2024 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at 31 March 2025	As at 31 March 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal	144.16	114.68
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Based on information received from the suppliers, the management has identified the enterprises which have provided services to the Company and which qualify under the definition of micro, small and medium enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Such determination / identification for the purpose of presentation under this disclosure has been done on the basis of information received and available with the Company which has been solely relied upon by the auditors.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

40 Employee Stock Option Scheme (ESOS)

On 08 January 2016, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme (Veritas ESOS A), 2016. Under the plan, the Company is authorized to issue 3,000,000 equity shares of INR 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 26 February 2018, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme (Veritas ESOS B), 2018. Under the plan, the Company is authorized to issue 1,000,000 equity shares of INR 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 22 November 2018, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme (Veritas ESOS C), 2018. Under the plan, the Company is authorized to issue 2,000,000 equity shares of INR 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 11 February 2021, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme, 2021 (Veritas ESOS, 2021). Under the plan, the Company is authorized to issue 1,000,000 equity shares of INR 10/- each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 15 March 2024, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme, 2024 (Veritas ESOS, 2024). Under the plan, the Company is authorized to issue 2,000,000 equity shares of INR 10/- each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

The table below summarises the movement of options across various schemes of the Company:

Particulars	Veritas ESOS A, 2016	Veritas ESOS B, 2018	Veritas ESOS C, 2018	Veritas ESOS, 2021	Veritas ESOS, 2024	Total
Total size of the options granted	30,00,000	10,00,000	20,00,000	10,00,000	20,00,000	90,00,000
Granted options	30,50,000	11,62,500	25,75,000	11,25,000	17,64,167	96,76,667
Options cancelled and added back to the scheme	88,500	1,63,400	5,75,850	1,80,500	2,10,833	12,19,083
Net options granted	29,61,500	9,99,100	19,99,150	9,44,500	15,53,334	84,57,584
Balance options available for future grants	38,500	900	850	55,500	4,46,666	5,42,416
Options exercised	29,61,500	8,35,350	10,53,650	24,500	-	48,75,000
Options vested but yet to be exercised	-	95,250	6,46,750	3,01,250	1,33,334	11,76,584

The Company uses fair value to account for the compensation cost of stock options to employees in the financial statements. The following are the vesting pattern of ESOS:

Particulars	Veritas ESOS A, 2016	Veritas ESOS B, 2018	Veritas ESOS C, 2018	Veritas ESOS 2021	Veritas ESOS 2024
At the end of one year of service from grant date	30%	20%	20%	20%	20%
At the end of two years	35%	25%	25%	25%	25%
At the end of three years	35%	25%	25%	25%	25%
At the end of four years	-	30%	30%	30%	30%

Note: As per the respective scheme document, unless otherwise determined by the Board or set out in the letter of grants, all options granted shall vest as above. For details of schemes with a vesting period of 1 year as at 31 March 2025 and 31 March 2024, refer note 40.1 below.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

40 Employee Stock Option Scheme (ESOS) (Contd..)

40.1 Options outstanding under Veritas ESOS

As at 31 March 2025, the outstanding options under the Veritas ESOS, 2021, Veritas ESOS, October 2018, Veritas ESOS, 2018, Veritas ESOS, 2016 and Veritas ESOS, 2024 are as follows:

Plan	Grant date	Number of options	Exercise price in ₹	Weighted average remaining contractual life including exercise period (in years)	Vesting period	Vesting condition
ESOS 2018 C Batch 2	26-Apr-19	91,500	125.00	1.07	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 2	15-Jun-20	41,250	160.00	2.21	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 3	15-Jun-20	3,74,000	160.00	2.21	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 1	05-Aug-21	1,20,000	225.00	3.35	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 2	19-Sep-22	3,00,000	350.00	4.47	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 3	30-Jan-23	1,20,000	375.00	4.83	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 4	30-Jan-23	3,85,000	375.00	4.83	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 3	30-Jan-23	35,000	375.00	4.83	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 5	26-Oct-23	40,000	475.00	5.57	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 4	26-Oct-23	1,05,000	475.00	5.57	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 5	30-Jan-24	2,50,000	475.00	5.83	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 1	27-Mar-24	1,33,334	75.00	2.99	1 year	Time and performance based vesting
ESOS 2024 Batch 2	16-Jul-24	1,00,000	600.00	6.29	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 6	16-Jul-24	50,000	600.00	6.29	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 7	06-Sep-24	40,000	600.00	6.44	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 4	06-Sep-24	2,500	600.00	6.44	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 6	06-Sep-24	27,500	600.00	6.44	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 3	06-Sep-24	4,35,000	600.00	6.44	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 4	09-Jan-25	3,50,000	625.00	6.78	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 5	09-Jan-25	3,35,000	625.00	3.78	1 Year	Time and performance based vesting
ESOS 2021 Batch 8	09-Jan-25	10,000	625.00	3.78	1 Year	Time and performance based vesting

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

40 Employee Stock Option Scheme (ESOS) (Contd..)

Plan	Grant date	Number of options	Exercise price in ₹	Weighted average remaining contractual life including exercise period (in years)	Vesting period	Vesting condition
ESOS C 2018 Batch 7	09-Jan-25	27,500	625.00	3.78	1 Year	Time and performance based vesting
ESOS 2024 Batch 6	03-Mar-25	2,00,000	625.00	6.92	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 9	03-Mar-25	5,000	625.00	6.92	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 10	03-Mar-25	5,000	625.00	3.93	1 Year	Time and performance based vesting
		35,82,584				

As at 31 March 2024, the outstanding options under the Veritas ESOS, 2021, Veritas ESOS, October 2018, Veritas ESOS, 2018, Veritas ESOS, 2016 and Veritas ESOS, 2024 are as follows:

Plan	Grant date	Number of options	Exercise price in ₹	Weighted average remaining contractual life including exercise period (in years)	Vesting period	Vesting condition
ESOS 2018 C Batch 2	26-Apr-19	1,23,000	125.00	2.07	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 2	15-Jun-20	41,250	160.00	3.21	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 3	15-Jun-20	4,07,000	160.00	3.21	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 1	05-Aug-21	1,28,000	225.00	4.35	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 2	19-Sep-22	3,00,000	350.00	5.47	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 3	30-Jan-23	1,20,000	375.00	5.83	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 4	30-Jan-23	4,10,000	375.00	5.83	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 3	30-Jan-23	55,000	375.00	5.83	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 5	26-Oct-23	40,000	475.00	6.57	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 4	26-Oct-23	1,55,000	475.00	6.57	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 5	30-Jan-24	2,50,000	475.00	6.83	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 1	27-Mar-24	2,66,667	75.00	3.99	1 year	Time and performance based vesting
		22,95,917				

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

40 Employee Stock Option Scheme (ESOS) (Contd..)

40.2 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	292.54	22,95,917	168.23	35,30,000
Forfeited during the year	313.68	(3,30,333)	297.92	(87,750)
Exercised during the year	143.16	(53,000)	71.98	(18,73,000)
Granted during the year	614.00	16,70,000	328.21	7,26,667
Outstanding as at end of year	**442.65**	**35,82,584**	**292.54**	**22,95,917**
Vested and exercisable as at end of year	**239.39**	**11,76,584**	**224.11**	**5,52,000**

The weighted average share price on the date of exercise of options during the year ended 31 March 2025 is INR.612.58 (31 March 2024 is INR. 485.63) .

40.3 Expense recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expense arising from equity-settled share-based payment transactions	1,933.12	773.14

40.4 Fair value methodology

The fair value of options have been estimated on the dates of each grant using the Black Scholes model. The various inputs considered in the pricing model for the stock options granted by the Company during the years are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Share price on Grant date (In INR)	643.71 - 674.46	9.51 - 498.59
Exercise price (In INR)	600.00 - 625.00	10.00 - 475.00
Fair value of options at grant date	189.91 - 317.48	2.48 - 435.83
Expected volatility	28.27% - 34.55%	22.00% - 41.60%
Option term	2.56 - 5.56 years	2.00 - 5.63 years
Expected dividends	Nil	Nil
Risk free interest rate	6.50% - 6.86%	4.53% - 7.79%
Weighted average remaining contractual life (in years)	4.87	4.94

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

41 Financial instrument- Transferred financial assets that are not derecognised in their entirety

A. Securitisation

By entering into securitisation arrangement, the Company has not transferred substantially all risks and rewards, hence this does not meet the derecognition criteria as set out in Ind AS 109. As a orginator and servicer of the securitised loan receivable accounts, the Company continues to be responsible for collection of receivables from its borrowers and depositing the same in collection and payout account for making scheduled payouts to the investors.

The details of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	31 March 2025	31 March 2024
Carrying amount of transferred assets measured at amortised cost	97,739.76	57,358.38
Carrying amount of associated liabilities	77,667.23	50,719.44
Fair value of assets	96,293.86	62,922.67
Fair value of associated liabilities	78,242.72	48,694.90
Net position at fair value	18,051.14	14,227.77

B. Direct assignment

The Company in the year ended 31 March 2025, transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risks and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	31 March 2025	31 March 2024
Carrying amount of de-recognised financial asset	7,101.48	-
Carrying amount of retained assets at amortised cost	788.74	-
Gain on sale of the de-recognised financial asset	1,587.91	-

42 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reporting period.

Capital Management

The primary objectives of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to the changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years.

RBI scale based regulations:

Being a Middle layer NBFC (NBFC-ML), the Company's Internal Capital Adequacy Assessment Process (ICAAP) takes a structured approach towards the identification, assessment, and management of all risks that may have a materially adverse impact on our business, financial position, and capital adequacy. The ICAAP framework is guided by the Company's Board approved ICAAP Policy. Also, the Company has enhanced its framework for Enterprise Risk Management (ERM) to a comprehensive and holistic approach to risk management. In this regard, the Company has completed assessment of its risks to ensure availability of adequate capital to cover all risks applicable to the Company for financial year ended 31 March 2024 which include the Stress Test Scenario while assessing ICAAP.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

42 Capital (Contd..)

i Net Debt to Equity Ratio

Consistent with the others in industry, the Company monitors the capital on the basis of gearing ratio (Net debt divided by equity). Under the terms of the major borrowing facilities, the Company is required to maintain the gearing ratio in line with the RBI guidelines or in a slightly more conservative manner. The actual gearing stipulated differs between the various lending agreements.

Particulars	As at 31 March 2025	As at 31 March 2024
Equity	**2,78,317.46**	**2,32,955.35**
a. Debt securities	56,830.92	30,812.15
b. Borrowings (other than debt securities)	5,06,093.28	3,68,768.63
c. Cash and Cash equivalents	53,821.85	47,744.92
Net Debt (a+b-c)	**5,09,102.36**	**3,51,835.86**
Net Debt to Equity Ratio	**1.83**	**1.51**

ii Capital Adequacy ratio

The Company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing Company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprised of share capital, share premium, retained earnings including repsective year profit and Tier II capital comprises of provision on standard assets. Risk weighted assets represents the weighted sum of Company's credit exposures based on their risk. Refer note 47.01

43 Fair Value Measurement

a. Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2025 were as follows:

Particulars	Carrying amount		
	Amortised cost	Fair value through profit and loss	Total carrying value
Financial Assets:			
Cash and cash equivalents	53,821.85	-	53,821.85
Bank balances other than cash and cash equivalents	41,940.97	-	41,940.97
Receivables	38.05		38.05
Loans	7,18,787.81	-	7,18,787.81
Investments	5,049.32	12,020.19	17,069.51
Other financial assets	5,758.30	-	5,758.30
Total	**8,25,396.30**	**12,020.19**	**8,37,416.49**
Financial Liabilities:			
Trade payables	618.52	-	618.52
Debt securities	56,830.92	-	56,830.92
Borrowings (Other than debt securities)	5,06,093.28	-	5,06,093.28
Other financial liabilities (including lease liabilities)	7,624.98	-	7,624.98
Total	**5,71,167.70**	**-**	**5,71,167.70**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

43 Fair Value Measurement (Contd..)

The carrying value and fair value of financial instruments by categories as of 31 March 2024 were as follows:

Particulars	Carrying amount		
	Amortised cost	Fair value through profit and loss	Total carrying value
Financial Assets:			
Cash and cash equivalents	47,744.92	-	47,744.92
Bank balances other than cash and cash equivalents	18,197.03	-	18,197.03
Receivables	170.09		170.09
Loans	5,63,454.97	-	5,63,454.97
Investments	-	-	-
Other financial assets	2,357.66	-	2,357.66
Total	**6,31,924.67**	**-**	**6,31,924.67**
Financial Liabilities:			
Trade payables	879.88	-	879.88
Debt securities	30,812.15	-	30,812.15
Borrowings (Other than debt securities)	3,68,768.63	-	3,68,768.63
Other financial liabilities (including lease liabilities)	7,289.13	-	7,289.13
Total	**4,07,749.79**	**-**	**4,07,749.79**

For all the assets and liabilities of the Company which are not carried at fair value, separate disclosure is not made as the carrying amounts approximates the fair value, except as stated below:

- the fair value of loans, investments, debt securities and borrowings (other than debt securities) as at 31 March 2025 amounted to INR 7,30,683.39 lakhs, INR 17,154.89 lakhs, INR 60,967.65 lakhs and INR 5,07,262.80 lakhs respectively.(As at 31 March 2024 amounted to INR 5,63,454.97 lakhs , Nil, INR 30,812.15 lakhs and INR 3,68,768.63 lakhs respectively).

This estimation is determined based on inputs where one or more unobservable input is significant to the measurement of the instrument as a whole (level 3), except for cash and cash equivalents, bank balances other than cash and cash equivalents and investment in government securities where such estimation is determined based on unadjusted quoted prices from active markets for identical assets (level 1). There are no transfers between different levels during the year.

44 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks, as listed below apart from various operating and business risks.

Market risk

Credit risk and

Liquidity risk

This note explains the sources of risks arising from financial instruments which the entity is exposed to and how the Company manages the risk.

Risk management framework

The Company's board of directors and risk committee have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management council along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor the risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

44 Financial risk management objectives and policies (Contd..)

The Company's risk management council oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographical region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political and other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(i) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and other prices will affect the Company's income or the value of holdings of financial instruments. The Company does not have exposure to currency risk and security price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk

Interest rate risk primarily arises from borrowings with variable rates. The Company's borrowings are carried at amortised cost. The borrowings with fixed rate are therefore not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The interest rate profile of the Company's interest bearing financial instruments based on loan outstanding is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed rate instruments		
Financial assets	6,44,899.27	5,16,710.35
Financial liabilities	1,45,786.16	84,169.09
Variable rate instruments		
Financial assets	1,42,434.45	82,429.85
Financial liabilities	4,17,138.04	3,15,411.69

Cash flow sensitivity analysis for variable-rate instruments:

Particulars	Profit / loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2025				
Variable-rate instruments	(2,350.02)	2,350.02	(1,758.57)	1,758.57
Cash flow sensitivity (net)	**(2,350.02)**	**2,350.02**	**(1,758.57)**	**1,758.57**
31 March 2024				
Variable-rate instruments	(2,329.82)	2,329.82	(1,743.45)	1,743.45
Cash flow sensitivity (net)	**(2,329.82)**	**2,329.82**	**(1,743.45)**	**1,743.45**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

44 Financial risk management objectives and policies (Contd..)

(ii) Credit risk

Loans

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans, advances and other financial assets. The carrying amount of financial assets represents the maximum credit exposure. The Company has credit policy approved by the Board of Directors which is subject to annual review. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The disclosure of maximum exposure to credit risk without taking into account any collateral held or other credit enhancements has not been provided for financial assets, as their carrying amount best represent the maximum exposure to credit risk. All the loans provided are secured against mortgage of land and/or building, vehicles except for working capital loans which are unsecured.

Impairment assessment - Expected credit loss ("ECL"):

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the ECL model as per the provisions of Ind AS 109 - Financial Instruments.

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

a. Probability of default ("PD")

b. Loss given default ("LGD")

c. Exposure at default ("EAD")

d. Discount factor ("D")

Probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from the internal data which is calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Z-score transformation model was used to forecast the PD term structure over lifetime of loans. As per given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated.

Marginal probability:

The PDs derived from the model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

Conditional marginal probability:

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios.

The probability of default was calculated for 3 scenarios: best, worst and base. This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

44 Financial risk management objectives and policies (Contd..)

Staging of loans:

Definition of default and cure

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments and cases where principal waivers have been made.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the loan becomes zero days past due on its contractual obligations. Such cured loans are classified as Stage 1 after such cure has taken place.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Company has staged the assets based on the day past dues criteria and other market factors which significantly impacts the portfolio.

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months Provision
1-30 Days	Stage 1	12 Months Provision
31-90 Days#	Stage 2	Life time Provision
90+ Days*	Stage 3	Life time Provision

includes loans which have significant increase in credit risk

(*Includes loans which crossed DPD of 90 days, but did not come back to zero DPD at the time of reporting)

Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account.

The Company determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The PDs are then assigned to each economic scenario based on the outcome of models.

Loss given default

The credit risk assessment is based on a standardised Loss Given Default (LGD) assessment framework that results in a certain LGD rate. The LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. It is usually expressed as a percentage of the EAD. The recoveries are discounted back to the default date using customer IRR. This present value of recovery is used for LGD computation. A recovery rate (RR) computed as the ratio of present value of recovery to the EAD (1 – RR), gives the LGD.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

44 Financial risk management objectives and policies (Contd..)

The Company calculates ECL on a collective basis for all asset classes.

Grouping financial assets measured on a collective basis

The Company calculates ECL on a collective basis for all asset classes. - this point come above combines these exposure into smaller homogeneous portfolios, based on the characteristics of the loans, as described below:

Loan type

Geography

ECL computation

Conditional ECL at DPD pool level was computed with the following method:

Conditional ECL = EAD*conditional PD*LGD

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Particulars	Provisions	As at 31 March 2025	As at 31 March 2024
Stage 1	12 month provision	0.76%	0.42%
Stage 2	Life time provision	20.54%	13.74%
Stage 3	Life time provision	50.52%	53.14%

The loss rates are based on actual credit loss experience over past years. Movement in provision of expected credit loss has been provided in note 7.3, note 9 and note 18.

Cash and bank balances

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12 month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Other financial assets

This balance is primarily constituted by security deposits, other receivables and employee loans. The Company does not expect any losses from non-performance by these counter-parties.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company is bound to comply with the Asset Liability Management guidelines issued by Reserve Bank of India. The Company has Asset Liability Management policy approved by the board and has constituted Asset Liability Committee to oversee the liquidity risk management function of the Company. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are borrowings, cash and cash equivalents and the cash flow that is generated from operations.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the Company maintains the following undrawn borrowing facilities :

Particulars	As at 31 March 2025	As at 31 March 2024
Cash credit facilities	10,002.06	9,850.19
Working capital demand loans	-	1,000.00
Term loans	22,646.00	-
Total	**32,648.06**	**10,850.19**

The Cash credit facilities may be overdrawn anytime and may be terminated any time without notice.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

44 Financial risk management objectives and policies (Contd..)

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities and financial assets including interest as at 31 March 2025:

Particulars	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade payables	618.52	618.52	-	-	-
Debt securities	56,830.92	9,719.28	43,361.68	22,093.76	-
Borrowings (other than debt securities)	5,06,093.27	2,23,817.43	2,96,589.34	64,065.27	1,399.51
Other financial liabilities (including lease liabilities)	7,624.98	6,490.42	1,349.55	108.38	11.08
Total financial liabilities	**5,71,167.70**	**2,40,645.65**	**3,41,300.57**	**86,267.41**	**1,410.59**
Financial assets					
Cash and cash equivalents	53,821.85	53,868.31	-	-	-
Bank balances other than cash and cash equivalents	41,940.97	39,622.41	2,875.58	423.28	-
Receivables	38.05	38.05	-	-	-
Loans	7,18,787.81	3,07,532.92	4,40,099.51	2,57,329.58	1,89,362.15
Investments	17,069.51	14,241.44	1,887.15	1,610.55	-
Other financial assets	5,758.30	2,744.15	1,572.04	1,000.21	725.68
Total financial assets	**8,37,416.49**	**4,18,047.28**	**4,46,434.28**	**2,60,363.62**	**1,90,087.83**

The table below provides details regarding the contractual maturities of financial liabilities and financial assets including interest as at 31 March 2024:

Particulars	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade payables	879.88	879.88	-	-	-
Debt securities	30,812.15	7,226.63	28,303.02	7,132.18	-
Borrowings (other than debt securities)	3,68,768.63	1,57,913.02	2,15,564.71	54,719.12	1,066.16
Other financial liabilities (including lease liabilities)	7,289.13	5,770.23	1,708.55	210.65	24.40
Total financial liabilities	**4,07,749.79**	**1,71,789.76**	**2,45,576.28**	**62,061.95**	**1,090.56**
Financial assets					
Cash and cash equivalents	47,744.92	47,744.92	-	-	-
Bank balances other than cash and cash equivalents	18,197.03	16,069.05	1,730.76	-	397.21
Receivables	170.09	170.09	-	-	-
Loans	5,63,454.97	2,38,734.14	3,39,629.26	2,01,475.19	1,35,689.31
Investments	-	-	-	-	-
Other financial assets	2,357.66	135.28	1,571.50	737.64	31.48
Total financial assets	**6,31,924.67**	**3,02,853.48**	**3,42,931.52**	**2,02,212.83**	**1,36,118.00**

The table has been drawn up based on the undiscounted contractual maturities of the financial assets and financial liabilities as at the reporting date. Loans, debt securities and borrowings (other than debt securities) includes estimated interest receipts / payments upto maturity.

The amounts disclosed in the table above are estimated expected undiscounted cash flows. Balances due within a year equals their carrying amounts as the impact of discounting is not significant.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

45 Gold loan portfolio

The Company has not provided loan against gold during the year ended 31 March 2025 and 31 March 2024

46 Movement of Non-Performing Assets (NPAs) (Stage 3 assets) (Credit impaired loans)

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Net NPA to net advances (%)		
(Net of provision for credit impaired loans excluding assets written off)	1.10%	0.85%
(b) Movement of NPAs (Gross)		
Opening balance	10,259.77	7,729.23
Additions during the year	19205.51	10,873.12
Reductions during the year	(13,257.59)	(8,342.58)
Closing balance	**16,207.69**	**10,259.77**
(c) Movement of Net NPAs		
Opening balance	4,808.12	4,419.59
Additions during the year	12,754.21	6,474.85
Reductions during the year	(9,543.30)	(6,086.32)
Closing balance	**8,019.03**	**4,808.12**
(d) Movement of provisions for NPAs		
Opening balance	5,451.64	3,309.64
Additions during the year	6,451.31	4,398.26
Reductions during the year	(120.92)	(89.93)
Utilised /write off during the year	(3,593.37)	(2,166.33)
Closing balance	**8,188.66**	**5,451.64**

47 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

47.01 Capital adequacy ratio

The Company's capital adequacy ratio, calculated in accordance with the Reserve Bank of India guidelines, is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Tier I Capital	2,50,065.55	2,18,688.52
Tier II Capital		-
Total Capital	**2,50,065.55**	**2,18,688.52**
Risk weighted assets	6,61,240.37	5,27,060.02
Capital Ratios		
Tier I Capital (%)	37.82%	41.49%
Tier II Capital (%)	-	-
CRAR (%)	**37.82%**	**41.49%**
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

Note 1 : Tier I capital consists of shareholders' equity and retained earnings. Tier II Capital consists of general provision and loss reserve against stage 1 assets. Credit enhancement relating to securitisation has been adjusted against Tier I and Tier II capital in accordance with RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. Tier 1 and Tier II capital has been reported on the basis of Ind AS financial information. Risk weighted assets represents the weighted sum of Company's credit exposures based on their risk as prescribed by RBI guidelines.

Note 2 : As on 31 March 2025 and 31 March 2024, the first loss credit enhancement on securitisation transactions exceeded the provisions for Standard Assets (which forms part of tier II capital). Consequently, the excess amount of first loss credit enhancement has been adjusted against tier 1 capital.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

47 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Contd..)

47.02 Exposure to real estate sector

Particulars	As at 31 March 2025	As at 31 March 2024
The Company does not have any direct or indirect exposure to the real estate sector other than properties mortgaged as collateral by its customers		
Direct Exposure		
i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based limits	6,50,603.09	5,11,366.60
ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a) Residential	-	-
b) Commercial Real Estate	-	-
Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total exposure to real estate sector	**6,50,603.09**	**5,11,366.60**

The above information is based on the data available with the Company and filed with the Reserve Bank of India, which has been relied upon by the auditors.

47.03 Exposure to capital market

Particulars	As at 31 March 2025	As at 31 March 2024
i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) bridge loans to companies against expected equity flows / issues;	-	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

47 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Contd..)

Particulars	As at 31 March 2025	As at 31 March 2024
viii) All exposures to Venture Capital Funds (both registered and unregistered)		
ix) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
x) Financing to stockbrokers for margin trading	-	-
xi) All exposures to Alternative Investment Funds (AIF)-in categories I, II and III	-	-
Total exposure to capital market	**-**	**-**

47.04 Sectoral exposure

Particulars	As at 31 March 2025			As at 31 March 2024		
	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	1,13,723.89	2,506.53	2.20%	84,770.83	1,091.61	1.29%
2. Industry (2.1 to 2.4)		-				
2.1 Micro and Small	38,185.61	696.71	1.82%	25,817.95	220.30	0.85%
2.2 Medium	-	-	-	-	-	-
2.3 Large	-	-	-	-	-	-
2.4 Others, if any, please specify	-	-	-	-	-	-
3. Services (3.1 to 3.10 equals 3.a to 3.d)						
3.1 Transport Operators	2,185.65	5.17	0.24%	801.89	5.14	0.64%
3.2 Computer Software	-	-	-	-	-	-
3.3 Tourism, Hotel and Restaurants	5,945.76	341.68	5.75%	7,636.01	106.95	1.40%
3.4 Shipping	-	-	-	-	-	-
3.5 Professional Services	6,782.14	161.39	2.38%	7,631.79	51.92	0.68%
3.6 Trade	-	-	-			
3.6.1 Wholesale Trade (other than Food Procurement)	5,257.34	259.91	4.94%	4,529.05	157.37	3.47%
3.6.2 Retail Trade	68,651.39	2,282.56	3.32%	66,975.40	927.53	1.38%
3.7 Commercial Real Estate	-	-	-	-	-	-
3.8 NBFCs	-	-	-	-	-	-
3.9 Aviation	-	-	-	-	-	-
3.10 Other Services	2,146.13	74.95	3.49%	2,167.13	42.79	1.97%
Total 3.a to 3.d						
3.a Micro and Small	90,968.41	3,125.66	3.44%	89,741.27	1,291.70	1.44%
3.b Medium	-	-	-	-	-	-
3.c Large	-	-	-	-	-	-
3.d Others, if any, Please specify	-	-	-	-	-	-
4. Personal loans				-	-	-
5. Retail loans (including home & Vehicle loans)	5,04,884.79	9,878.79	1.96%	3,72,048.70	7,656.16	2.06%

The above sector-wise NPA and advances is based on the data available with the Company which has been relied upon by the auditors.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

47 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Contd..)

47.05 Intra-group exposures

Particulars	As at 31 March 2025	As at 31 March 2024
1. Total amount of intra-group exposures	-	-
2. Total amount of top 20 intra-group exposures and	-	-
3. Percentage of intra group exposures to total exposure of the NBFC on borrower/ customers.	-	-

47.06 Unhedged foreign currency exposure

The Company did not have any unhedged foreign currency exposure as on the balance sheet date and did not enter into any derivative contracts at any time during the years and none were outstanding as at 31 March 2025 and 31 March 2024.

47.07 Related party disclosures

The related party disclosures pursuant to scale based regulations disclosure guidelines issued by RBI has been disclosed in note 38.

47.08 Breach of a covenant

There are no breaches and the Company is compliant with all the covenants including affirmative, informative and negative covenants as at and for the financial year ended 31 March 2025 and 31 March 2024

47.09 Divergence in asset classification

This disclosure is not applicable to the Company since the RBI has not conducted any inspection during the years ended 31 March 2025 and 31 March 2024.

47.10 Provisions and contingencies shown under the head expenditure in profit and loss account (including other comprehensive income)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Provisions for depreciation on Investment	-	-
Provision towards NPA	2,737.30	2,142.00
Provision for Standard Assets	4,467.78	970.27
Other Provision and Contingencies:		
Provision for gratuity (refer note 34.2)	472.82	969.41
Provision for compensated absences	500.04	600.76
Provision made towards Income tax	11,491.16	8,834.00

47.11 Concentration of advances

Particulars	As at 31 March 2025	As at 31 March 2024
Total advances to twenty largest borrowers	1,382.47	637.31
Percentage of advances to twenty largest borrowers to total advances	0.19%	0.11%

47.12 Concentration of exposures

Particulars	As at 31 March 2025	As at 31 March 2024
Total exposures to twenty largest borrowers	1,395.50	637.31
Percentage of exposures to twenty largest borrowers to total exposures	0.19%	0.11%

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

47 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Contd..)

47.13 Concentration of NPAs (Stage 3 assets)

Particulars	As at 31 March 2025	As at 31 March 2024
Total exposure to top four NPA accounts	102.84	69.86

47.14 Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties"

47.15 Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items that have impact on the current year's profit and loss.

47.16 Ratings assigned by credit rating agencies :

The credit rating details of the Company are as follows:

Rating Agency	Term	Type	As at 31 March 2025	As at 31 March 2024
CARE Ratings Limited	Long term	Bank loans	CARE A+; (Positive)	CARE A+; (Stable)
CARE Ratings Limited	Short term	Bank loans	CARE A1+	CARE A1+
CARE Ratings Limited	Long term	Non-convertible debentures	CARE A+; (Positive)	CARE A+; (Stable)
CARE Ratings Limited	Short term	Commercial Paper	CARE A1+	CARE A1+

47.17 Instances of fraud

During the Financial year ended 31 March 2025, the Company has identified 5 instances of fraud by customer and the same was duly reported. The amount outstanding with respect to the relevant instances is INR 25.92 lakhs as at 31 March 2025. Further, subsequent to the year ended 31 March 2025 till the report date, the Company has identified and reported 2 instances of fraud amounting to INR 23.84 lakhs.

There are no instances of fraud reported during the year ended 31 March 2024.

The above note with respect to fraud is based on the information available with the Company which has been relied upon by the auditors.

47.18 Registration / license / authorization obtained from financial sector regulators

Registration / license	Authority issuing the registration / license	Registration / License reference
Certificate of Registration	Reserve Bank of India	N-07.00810 dated 15 October 2015

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

47 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Contd..)

47.19 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Value of investments		
(i) Gross value of investments		
(a) In India	17,069.51	-
(b) Outside India	-	-
(ii) Provision for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	17,069.51	-
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

47.20 Derivatives

The Company has not entered into any derivative contracts during the financial years.

47.21 Details of non- performing financial assets purchases and sold

The Company has neither purchased nor sold any non-performing financial assets during the financial years.

47.22 Details of financing of Parent Company products

The Company does not have a parent Company and so the details required under this note is not applicable.

47.23 Details of Single Borrower Limits (SBL) / Group Borrower Limits (GBL) exceeded

The Company has not exceeded the single borrower limit as set by Reserve Bank of India for the year ended March 31, 2025 and March 31, 2024

47.24 Advances against intangible securities

The Company has not given any loans against intangible securities

47.25 Penalties imposed by RBI and other regulators

The following are the list of penalties imposed by RBI and other regulators:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Employees' Provident Fund Organisation, India**	-	0.00
Assessment Unit, Income Tax Department	-	-
BSE Limited	-	-
Employees' State Insurance Corporation##	0.02	-

**Represents penalty amount to the extent of INR 136 charged by Employees Provident Fund Organisation during the financial year ended March 31, 2024

Represents penalty amount to the extent of INR 1,554 charged by Employees' State Insurance Corporation during the financial year ended March 31, 2025

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

47 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Contd..)

47.26 Draw down from reserves

The Company has made no drawdown from existing reserves.

47.27 Overseas assets (for those with joint ventures and subsidiaries abroad)

There are no overseas assets owned by the Company.

47.28 Off-balance sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms.

47.29 Customer complaints

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Complaints received by the NBFC from its customers (refer note below)		
(1) Number of complaints pending at the beginning of the years	-	-
(2) Number of complaints received during the years	102	16
(3) Number of complaints disposed during the years	102	16
(3.1) Of which, number of complaints rejected by the NBFC	-	-
(4) Number of complaints pending at the end of the years	-	-
Maintainable complaints received by the NBFC from Office of Ombudsman (refer note below)		
(5) Number of maintainable complaints received by the NBFC from Office of Ombudsman	18	28
(5.1) Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	18	28
(5.2) Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	17	28
(5.3) Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
(6) Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note : The above details are based on the information available with the Company regarding the complaints received from the customers both directly and indirectly including through RBI portal, which has been relied upon by the auditors.

47.30 Top five grounds of complaints received by the NBFCs from customers:

Top five grounds of complaints received by the NBFCs from customers for the FY 24-25

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Staff interaction / collection related	-	32	191% increase	-	-
Loan & advances - change of terms	-	15	114% increase	-	-
Foreclosure, closure and NOC related	-	50	257% increase	-	-
Others	-	5	58% decrease	-	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

47 Disclosure Pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Contd..)

Top five grounds of complaints received by the NBFCs from customers for the FY 23-24

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Staff interaction / collection related	-	11	1000% increase	-	-
Loan & advances - change of terms	-	7	53% decrease	-	-
Foreclosure, closure and NOC related	-	14	100% increase	-	-
Others	-	12	Newly Added ground	-	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

48 Asset Liability Management

(a) Maturity pattern of certain items of Assets and Liabilities as at 31 March 2025:

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Advances	18,732.17	1,727.11	2,979.08	14,129.90	14,510.00	41,791.12	75,347.65	2,51,928.33	1,83,478.99	1,14,163.46	7,18,787.81
Investments	-	1,696.50	10,011.13	-	389.31	-	1,911.41	1,524.78	1,536.38	-	17,069.51
Fixed Deposits with Banks	-	4,444.78	7,057.11	7,560.17	23,085.39	2,223.43	1,443.60	2,735.16	397.22	-	48,946.86
Borrowings (other than debt securities)	2,199.82	649.39	16,328.85	13,160.55	15,646.15	48,272.21	88,065.54	2,62,145.75	58,294.52	1,330.50	5,06,093.28
Debt securities	-	-	18.24	205.69	427.40	2,500.00	1,375.00	32,750.00	19,554.59	-	56,830.92

(b) Maturity pattern of certain items of Assets and Liabilities as at 31 March 2024:

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Advances	13,705.73	2,611.82	3,061.47	12,187.26	11,566.24	35,651.70	63,868.31	1,95,406.97	1,44,925.55	80,469.91	5,63,454.97
Investments	-	-	-	-	-	-	-	-	-	-	-
Fixed Deposits with Banks	-	-	1,050.76	10,055.62	13,527.10	-	-	1,730.76	-	397.22	26,761.46
Borrowings (other than debt securities)	1,443.48	632.10	12,345.11	10,023.31	9,143.23	32,087.45	64,833.35	1,87,878.95	49,381.68	999.96	3,68,768.63
Debt securities	-	-	8.23	-	437.26	2,500.00	1,375.00	22,750.00	3,741.66	-	30,812.15

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

49 Disclosure Pursuant to paragraph 31 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side:				
1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
(a) Debentures				
- Secured	56,830.92	-	30,812.15	-
- Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred credits	-	-	-	-
(c) Term loans	4,27,827.38	-	3,16,799.38	-
(d) Inter-corporate loans and borrowings	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Borrowings under securitisation	77,667.23	-	50,719.44	-
(h) Other Loans *	598.67	-	1,249.81	-
*Represents Cash Credit from banks				
2) Break-up of (1)(f)above (outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Particulars	As at 31 March 2025	As at 31 March 2024
Assets side:		
3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured (refer note 7)	6,66,191.97	5,03,694.87
(b) Unsecured (refer note 7)	52,595.84	59,760.11
4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors:		
a) Financial lease	-	-
b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:	-	-
a) Assets on Hire	-	-
b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities:	-	-
a) Loans where Assets have been repossessed	-	-
b) Loans other than (a) above	-	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

49 Disclosure Pursuant to paragraph 31 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023: (Contd..)

Particulars	As at 31 March 2025	As at 31 March 2024
5) Break-up of Investments:		
Current Investments:		
I. Quoted:		
i. Shares		
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	12,020.19	-
iv. Government Securities	1,911.41	-
v. Others (please specify)	-	-
II. Unquoted:		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (please specify)	-	-
Long Term Investments:		
I. Quoted:		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	3,137.91	-
v. Others (please specify)	-	-
II. Unquoted:		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Investment in equity tranche PTCs	15,639.69	6,520.85

6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Particulars	As at 31 March 2025 (Net of Provisions)		As at 31 March 2024 (Net of Provisions)	
	Secured	Unsecured	Secured	Unsecured
1. Related parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	6,66,191.97	52,595.84	5,03,694.87	59,760.11
	6,66,191.97	**52,595.84**	**5,03,694.87**	**59,760.11**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

49 Disclosure Pursuant to paragraph 31 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023: (Contd..)

7) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted) :

Particulars	Market Value / Break up or fair value or Net Asset Value as on 31 March 2025	Book Value as on March 31, 2025 (Net of provisions)	Market Value / Break up or fair value or Net Asset Value as on 31 March 2024	Book Value as on 31 March 2024 (Net of provisions)
1. Related parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
	-	-	-	`

8) Other Information

Particulars	As at 31 March 2025		As at 31 March 2024	
	Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i) Gross Non-Performing Assets (Stage 3 assets)	-	16,207.69	-	10,259.77
(ii) Net Non-Performing Assets (Stage 3 assets)	-	8,019.03	-	4,808.12
(iii) Assets Acquired in Satisfaction of Debt	-	-	-	-

50 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019- 20 dated 13 March 2020 pertaining to Asset Classification as per RBI Norms

As at 31 March 2025

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	7,06,487.41	5,388.86	7,01,098.55	2,939.46	2,449.40
	Stage 2	12,169.19	2,498.96	9,670.23	55.60	2,443.36
Subtotal for Standard		**7,18,656.60**	**7,887.82**	**7,10,768.78**	**2,995.06**	**4,892.76**
Non-performing assets (NPA)						
Substandard	Stage 3	12,542.02	5,961.21	6,580.81	2,025.28	3,935.93
Doubtful						
- up to 1 year	Stage 3	3,615.91	2,177.69	1,438.22	1,004.07	1,173.63
- 1 to 3 years	Stage 3	-	-	-	-	-
- More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**3,615.91**	**2,177.69**	**1,438.22**	**1,004.07**	**1,173.63**
Loss	Stage 3	49.76	49.76	-	49.76	-
Subtotal for NPA		**16,207.69**	**8,188.66**	**8,019.03**	**3,079.11**	**5,109.56**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

50 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019- 20 dated 13 March 2020 pertaining to Asset Classification as per RBI Norms (Contd..)

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	12,898.41	51.59	12,846.81	51.59	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**7,06,487.41**	**5,388.86**	**7,01,098.55**	**2,939.46**	**2,449.40**
	Stage 2	**12,169.19**	**2,498.96**	**9,670.23**	**55.60**	**2,443.36**
	Stage 3	**16,207.69**	**8,188.66**	**8,019.03**	**3,079.11**	**5,109.56**
		7,34,864.29	**16,076.48**	**7,18,787.81**	**6,074.17**	**10,002.32**

As at 31 March 2024

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	5,53,807.80	2,329.99	5,51,477.81	2,253.45	76.53
	Stage 2	8,311.18	1,142.14	7,169.04	172.67	969.47
Subtotal for Standard		**5,62,118.98**	**3,472.13**	**5,58,646.85**	**2,426.12**	**1,046.00**
Non-performing assets (NPA)						
Substandard	Stage 3	7,465.48	3,577.79	3,887.69	1,620.76	1,957.03
Doubtful						
- up to 1 year	Stage 3	2,794.28	1,873.85	920.43	1,105.66	768.19
- 1 to 3 years	Stage 3	-	-	-	-	-
- More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**2,794.28**	**1,873.85**	**920.43**	**1,105.66**	**768.19**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**10,259.77**	**5,451.64**	**4,808.12**	**2,726.42**	**2,725.22**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

50 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019- 20 dated 13 March 2020 pertaining to Asset Classification as per RBI Norms (Contd..)

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	**Stage 1**	**5,53,807.80**	**2,329.99**	**5,51,477.81**	**2,253.45**	**76.53**
	Stage 2	**8,311.18**	**1,142.14**	**7,169.04**	**172.67**	**969.47**
	Stage 3	**10,259.77**	**5,451.64**	**4,808.12**	**2,726.42**	**2,725.22**
		5,72,378.74	**8,923.77**	**5,63,454.97**	**5,152.54**	**3,771.22**

In terms of the requirement as per RBI notifications no. RBI/2019-20/170 DOR (NBFC).CC. PD No. 109/22.10.106/2019-20 dated 13 March 2020 on implementation of Indian accounting standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at 31 March 2025 and as at 31 March 2024 and accordingly, no amount is required to be transferred to impairment reserve.

51 Disclosures to be made in notes to accounts by originators pursuant to Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled.

S. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures are reported here)	13	7
2	Total amount of securitised assets as per books of the SPEs	93,306.92	57,240.29
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	7,095.16	3,536.91
	• Others (Investment in equity tranche PTCs)	15,639.69	6,520.85
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others (Excess Interest Spread)	-	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

51 Disclosures to be made in notes to accounts by originators pursuant to Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 (Contd..)

S. No	Particulars	As at 31 March 2025	As at 31 March 2024
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets for the year	79,118.84	61,435.93
	gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		
	First Loss Credit Facility – Bank Fixed Deposit	7,095.16	3,536.91
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	(a) Amount paid during the year (initial cash collateral)	3,531.09	3,528.51
	(b) Repayment received (cash collateral reset)	-	-
	(c) Outstanding amount (outstanding cash collateral)	7,095.16	3,536.91
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	0.32%	0.14%
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10	Investor complaints		
	(a) Directly/Indirectly received and;	-	-
	(b) Complaints outstanding	-	-

52 Disclosures to be made in notes to accounts pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24 September 2021

Details of loans not in default transferred through assignment:

Particulars	As at 31 March 2025	As at 31 March 2024
Aggregate amount of loans transferred through assignment	7,207.85	-
Weighted average maturity (in years)	10.24	-
Weighted average holding period (in years)	1.32	-
Retention of beneficial economic interest	800.87	
Tangible security coverage	-	-
Rating-wise distribution of rated loans	-	-

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

53 Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled.

	As at 31 March 2025			As at 31 March 2024		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
Assets						
Cash and cash equivalents	53,821.85	-	53,821.85	47,744.92	-	47,744.92
Bank balances other than cash and cash equivalents	38,817.68	3,123.29	41,940.97	16,069.06	2,127.96	18,197.03
Receivables	38.05	-	38.05	170.09	-	170.09
Loans	1,69,217.02	5,49,570.79	7,18,787.81	1,42,652.54	4,20,802.43	5,63,454.97
Investments	14,008.34	3,061.17	17,069.51	-	-	-
Other financial assets	2,679.95	3,078.35	5,758.30	135.28	2,222.38	2,357.66
Current tax assets (Net)	-	251.80	251.80	158.82	-	158.82
Deferred tax Assets (Net)	-	6,409.50	6,409.50	-	4,141.29	4,141.29
Property, plant and equipment (including right of use asset)	-	4,298.65	4,298.65	-	4,622.67	4,622.67
Intangible assets under development	-	163.70	163.70	49.05	-	49.05
Other intangible assets	-	731.36	731.36	-	839.68	839.68
Other non-financial assets	653.32	1,637.83	2,291.15	423.10	-	423.10
Total Assets	**2,79,236.21**	**5,72,326.44**	**8,51,562.65**	**2,07,402.87**	**4,34,756.41**	**6,42,159.28**
Liabilities						
Financial Liabilities						
Trade Payables						
i) total outstanding dues of micro enterprises and small enterprises	144.16	-	144.16	114.68	-	114.68
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	474.36	-	474.36	765.20	-	765.20
Debt Securities	4,526.33	52,304.60	56,830.92	4,320.49	26,491.66	30,812.15
Borrowings (other than debt securities)	1,84,322.51	3,21,770.77	5,06,093.28	1,30,508.04	2,38,260.59	3,68,768.63
Other financial liabilities (including lease liabilities)	6,275.46	1,349.52	7,624.98	5,526.65	1,762.48	7,289.13
Non-Financial Liabilities						-
Current tax liabilities	-	-	-	-	-	-
Provisions	1,337.58	-	1,337.58	866.07	-	866.07
Other non-financial liabilities	701.15	38.76	739.91	588.07	-	588.07
Total Liabilities	**1,97,781.54**	**3,75,463.65**	**5,73,245.19**	**1,42,689.20**	**2,66,514.73**	**4,09,203.92**

53A Changes in liability arising from financing activities

Particulars	01 April 2024	Cash Flows	New leases	Others*	31 March 2025
Debt Securities	30,812.15	26,125.00	-	(106.24)	56,830.92
Borrowings (other than debt securities)	3,68,768.63	1,37,972.51	-	(647.85)	5,06,093.28
Lease Liability	3,040.30	(1,872.34)	1,745.74	-	2,913.70
Total	**4,02,621.08**	**1,62,225.15**	**1,745.74**	**(754.09)**	**5,65,837.90**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

53A Changes in liability arising from financing activities (Contd..)

Particulars	01 April 2023	Cash Flows	New leases	Others*	31 March 2024
Debt Securities	17,926.89	13,000.00	-	(114.74)	30,812.15
Borrowings (other than debt securities)	2,24,605.52	1,44,380.69	-	(217.58)	3,68,768.63
Lease Liability	2,951.53	-	88.77	-	3,040.30
Total	**2,45,483.94**	**1,57,380.69**	**88.77**	**(332.32)**	**4,02,621.08**

* Other column includes the effect of accrued interest on borrowing and amortisation of processing fees.

54 Disclosure pursuant to Reserve Bank of India Circular DOR. No. BP. BC/3/21.04.048/2020-21 dated 06 August 2020 pertaining to Resolution Framework for COVID 19 related stress read with RBI/ 2021-22/31 DOR.STR.REC. 11/21.04.048/2021-22 dated 05 May 2021 pertaining to Resolution Framework- 2.0: Resolution of COVID 19 related stress of Individuals and Small businesses.

Format - B :

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of 31 March 2024 (A)	Of (A) Aggregated debt that slipped into NPA during the year	Of (A) Amount written off during the year	Of (A) Amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31 March 2025
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	1,441.14	174.20	198.62	600.02	468.30
Total	**1,441.14**	**174.20**	**198.62**	**600.02**	**468.30**

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of 31 March 2024 (A)	Of (A) Aggregated debt that slipped into NPA during the year	Of (A) Amount written off during the year	Of (A) Amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31 March 2025
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	3,510.70	391.12	474.14	1,204.30	1,441.14
Total	**3,510.70**	**391.12**	**474.14**	**1,204.30**	**1,441.14**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

** Classification of borrowers is based on the data available with the Company and has been relied upon by the auditors. Above loans are secured wholly by mortgage of property.

55 Public Disclosure on Liquidity Risk as required under RBI Circular – RBI/2019-20/88, DOR.NBFC (PD) CC No. 102/03.10.001/2019-20 dated 04 November 2019

1 Funding concentration based on significant counterparty (both deposits and borrowings)

Particulars	As at 31 March 2025	As at 31 March 2024
No. of Significant Counterparties	24	17
Borrowing outstanding	4,98,996.28	3,34,906.73
% of Total Liabilities	87.05%	81.84%

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

55 Public Disclosure on Liquidity Risk as required under RBI Circular – RBI/2019-20/88, DOR.NBFC (PD) CC No. 102/03.10.001/2019-20 dated 04 November 2019 (Contd..)

2 Top 20 large deposits - Not Applicable. The Company, being a Systematically Important Non-Deposit taking Non-Banking Financial Company and registered with Reserve Bank of India, does not accept public deposits.

3 Top 10 borrowings

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount	% of Total Borrowings	Amount	% of Total Borrowings
Total of top 10 borrowings	3,53,045.88	62.72%	2,73,701.09	68.50%

4 Funding concentration based on significant instrument / product

Name of the instrument / product	As at 31 March 2025		As at 31 March 2024	
	Amount	%of Total Liabilities	Amount	%of Total Liabilities
Non-Convertible Debentures	56,830.92	9.91%	30,812.15	7.53%
Term Loans	4,27,827.38	74.63%	3,16,799.38	77.42%
Securitisation (PTCs)	77,667.23	13.55%	50,719.44	12.39%
Working Capital Loans	598.67	0.10%	1,249.81	0.31%

5 Stock Ratios:

	Name of the instrument / product	As at 31 March 2025	As at 31 March 2024
		Ratio	Ratio
1	Commercial Paper as a % of Total Public Funds	N.A.	N.A.
2	Commercial Paper as a % of Total Liabilities	N.A.	N.A.
3	Commercial Paper as a % of Total Assets	N.A.	N.A.
4	Non-convertible debentures (original maturity of less than one year) as a % of Total Public Funds	N.A.	N.A.
5	Non-convertible debentures (original maturity of less than one year) as a % of Total Liabilities	N.A.	N.A.
6	Non-convertible debentures (original maturity of less than one year) as a % of Total Assets	N.A.	N.A.
7	Other short-term liabilities as a % of Total Public Funds	N.A.	N.A.
8	Other short-term liabilities as a % of Total Liabilities	34.50%	34.87%
9	Other short-term liabilities as a % of Total Assets	23.23%	10.08%

6 Institutional set-up for liquidity risk management:

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to while conducting its business. The Board approves the governance structure, policies, strategy, and the risk limits for the management of liquidity risk.

The Board of Directors approved the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly intervals and more frequently as warranted from time to time. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk return perspective and within the risk appetite approved by the Board.

The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity, and interest rate risk management and to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

55 Public Disclosure on Liquidity Risk as required under RBI Circular – RBI/2019-20/88, DOR.NBFC (PD) CC No. 102/03.10.001/2019-20 dated 04 November 2019 (Contd..)

sources, and investment of surplus funds. ALCO meetings are held once a month. The minutes of ALCO meetings are placed before the RMC in its next meeting for its perusal/approval/ratification.

Notes:

1) Significant counterparty is as defined in RBI circular RBI circular RBI/2019-20/88,DOR.NBFC (PD) CC No.102/03.10.001/2019-20,Dated November 04, 2019.

2) Amount represents IND-AS outstanding inclusive of interest accruals and fee amortisation.

3) Total Liabilities exclude Networth of the Company.

4) Other short-term liabilities have been computed as a sum of trade payables, other financial liabilities, provisions and other non-financial liabilities which have a maturity of within 12 months.

Refer Note No 43 (iii) for the summary of maturity profile of undiscounted cash flows of the Company's financial assets and financial liabilities as at reporting period.

55.01 Liquidity Coverage Ratio

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, all non-deposit taking NBFCs with asset size more than INR 5,000 crores are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2022, with the minimum LCR to be 60%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. It ensures a sound and robust liquidity risk management system by maintaining sufficient liquidity through inclusion of a cushion of unencumbered, high quality liquid asset to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Board of Directors has delegated responsibility of balance sheet Liquidity Risk Management to the Asset Liability Committee as per the ALCO policy of the Company.

Qualitative information:

Main drivers to the LCR numbers:

All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation.

Composition of HQLA:

The HQLA maintained by the Company comprises comprise of cash on hand and demand deposits with Scheduled Commercial Banks. The details are given below.

- For the year ended 31 March 2025, the HQLA comprised of cash, investment in Government securities and demand deposits with scheduled commercial banks

Concentration of funding sources:

The Company maintains diversified sources of funding comprising short/long term loans from banks, NBFC's NCDs, and securitisation. The funding pattern is reviewed regularly by the management.

Derivative exposures and potential collateral calls:

As on March 31, 2025, the Company has no derivative exposures.

Currency mismatch in LCR:

There is NIL mismatch to be reported in LCR as on March 31, 2025

Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile

Nil

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

55 Public Disclosure on Liquidity Risk as required under RBI Circular – RBI/2019-20/88, DOR.NBFC (PD) CC No. 102/03.10.001/2019-20 dated 04 November 2019 (Contd..)

Computation of Liquidity Coverage Ratio for the year ended 31 March 2025:

Particulars	Q4 FY 24-25		Q3 FY 24-25		Q2 FY 24-25		Q1 FY 24-25	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)								
- Cash	134.73	134.73	192.50	192.50	142.29	142.29	125.95	125.95
- Investment in Government securities	1,742.75	1,742.75	-	-	-	-	-	-
- Bank Balance	10,257.57	10,257.57	9,150.78	9,150.78	9,114.63	9,114.63	6,058.75	6,058.75
Cash Outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	-	-	-	-	-	-	-	-
4 Secured wholesale funding	-	-	-	-	-	-	-	-
5 Additional requirements, of which	-		-		-		-	
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	28,312.91	32,559.84	26,714.98	30,722.23	27,072.00	31,132.80	19,732.03	22,691.83
7 Other contingent funding obligations	25.00	28.75	25.00	28.75	25.00	28.75	25.00	28.75
8 TOTAL CASH OUTFLOWS		**32,588.59**		**30,750.98**		**31,161.55**	-	**22,720.58**
Cash Inflows								
9 Secured lending	10,587.00	7,940.25	10,567.99	7,926.00	10,848.46	8,136.34	12,084.07	9,063.05
10 Inflows from fully performing exposures	26,103.00	19,577.25	24,914.71	18,686.03	24,400.16	18,300.12	22,891.25	17,168.43
11 Other cash inflows	48,435.29	36,326.47	54,702.01	41,026.51	49,547.62	37,160.72	43,972.61	32,979.46
12 TOTAL CASH INFLOWS		**63,843.97**		**67,638.54**		**63,597.18**		**59,210.94**
	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value
13 TOTAL HQLA	NA	**12,135.05**	NA	**9,343.28**	NA	**9,256.93**	NA	**6,184.70**
14 TOTAL NET CASH OUTFLOWS	NA	**8,147.15**	NA	**7,687.74**	NA	**7,790.40**	NA	**5,680.15**
15 LIQUIDITY COVERAGE RATIO (%)	NA	**148.95%**	NA	**121.53%**	NA	**118.82%**	NA	**108.88%**

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

55 Public Disclosure on Liquidity Risk as required under RBI Circular – RBI/2019-20/88, DOR.NBFC (PD) CC No. 102/03.10.001/2019-20 dated 04 November 2019 (Contd..)

Computation of Liquidity Coverage Ratio for the financial year 31 March 2024:

Particulars	Q4 FY 23-24		Q3 FY 23-24	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
High Quality Liquid Assets				
1 Total High Quality Liquid Assets (HQLA)				
- Cash	150.00	150.00	204.00	204.00
- Bank Balance	39,030.00	39,030.00	29,186.00	29,186.00
Cash Outflows				
2 Deposits (for deposit taking companies)	-	-	-	-
3 Unsecured wholesale funding	-	-	-	-
4 Secured wholesale funding	-	-	-	-
5 Additional requirements, of which				
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-
6 Other contractual funding obligations	45,973.91	52,870.00	15,796.52	18,166.00
7 Other contingent funding obligations	25.22	29.00	25.22	29.00
8 TOTAL CASH OUTFLOWS	**45,999.13**	**52,899.00**	**15,821.74**	**18,195.00**
Cash Inflows				
9 Secured lending	10,850.67	8,138.00	14,240.00	10,680.00
10 Inflows from fully performing exposures	22,894.67	17,171.00	20,870.67	15,653.00
11 Other cash inflows	1,057.33	793.00	17,874.66	13,406.00
12 TOTAL CASH INFLOWS	**34,802.67**	**26,102.00**	**52,985.33**	**39,739.00**
	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value
13 TOTAL HQLA	NA	**39,180.00**	NA	**29,390.00**
14 TOTAL NET CASH OUTFLOWS	NA	**26,798.00**	NA	**4,549.00**
15 LIQUIDITY COVERAGE RATIO (%)	NA	**146.21%**	NA	**646.12%**

Notes:

1. The average weighted and unweighted amounts are calculated based on simple average of daily observations. The weightage factor applied to compute weighted average value is constant for all the quarters.
2. Prior to introduction of LCR framework, the Company used to maintain a substantial share of its liquidity in form of fixed deposits with banks and investment in mutual funds. Post the introduction of LCR framework, the Company has consciously worked towards increasing its investment in High Quality Liquid Assets (HQLA) as per the RBI guidelines.
3. Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
4. The disclosures above are based on the information and records maintained and compiled by the management and have been relied upon by the auditors.
5. RBI has mandated minimum liquidity coverage ratio (LCR) of 60% to be maintained by December 2021, which is to be gradually increased to 100% by December 2024. The Company has LCR of 148.95% as of March 31, 2025 as against the LCR the rate mandated by RBI.
6. Liquidity Coverage Ratio (LCR) became applicable for the Company when it crossed an asset size of INR 5,000 crores from the month of September 2023. Hence, as of 30 September 2023 and 30 June 2023, LCR was not applicable for the Company.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

56 Other Statutory information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year/ period.

v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries"

(vi) The Company has not received any fund from any person(s)or entity(ies), including foreign entities (FundingParty) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

(vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company is not declared as wilful defaulter by any bank or financial institution or any other lender

(ix) Stage wise Overdue (DPD) based Loan dislcosure

Particulars	As at 31 March 2025					As at 31 March 2024				
	Count	Stage 1	Stage 2	Stage 3*	Total	Count	Stage 1	Stage 2	Stage 3*	Total
Gross carrying amount					-					-
Accounts with no overdues	1,96,838	6,99,309.89	60.44	33.54	6,99,403.87	1,69,303	5,50,700.53	1,029.39	12.28	5,51,742.20
Accounts with overdues	15,784	7,177.52	12,108.75	16,174.15	35,460.42	7,975	3,107.26	7,281.80	10,247.48	20,636.54
Total	**2,12,622**	**7,06,487.41**	**12,169.19**	**16,207.69**	**7,34,864.29**	**1,77,278**	**5,53,807.79**	**8,311.19**	**10,259.76**	**5,72,378.74**

* 6,651 loan accounts in Stage 3 as on 31 March 2025 (31 March 2024 -3316 loan accounts)

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The Company is maintaining its books of accounts in electronic mode and these books of accounts are accessible at all time and the back-up of books of accounts has been kept in servers physical located in India on a daily basis except that the back-up of (i) one of the Loan Management System from April 1, 2024 to April 4, 2024 and (ii) one of the assets register software(s) from April 2, 2024 to April 29, 2024 was not maintained in electronic mode on servers physically located in India during the said period.

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

58 The Company has used accounting software (Oracle E-Business Suite) for maintaining its books of account during the year for general ledger accounting. The Company uses various Loan management system and asset register software(s). The information regarding the audit trail (edit log) feature in respect of these systems and software(s) are as follows:,

a. Accounting software: Feature of recording audit trail (edit logs) facility was not enabled throughout the year for all relevant transaction recorded in the software.

b. Loan management systems and asset register software(s): Feature of recording audit trail (edit logs) facility was enabled and operated throughout the year for all relevant transactions recorded in the systems and software(s). The audit trail feature was not enabled for direct changes to data when using certain access rights (i.e at database level). The Company does not have any direct access to the database for making any direct edits. Further there was no instance of audit trail feature being tampered during the year, in respect of systems and software(s) where the audit trail has been enabled.

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

59 Events after reporting period

There were no significant adjusting events that occurred subsequent to the reporting period.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/E300004

per Bharath N S
Partner
ICAI Membership No. : 210934
Place : Chennai
Date : 30 April 2025

for and on behalf of the Board of Directors of
Veritas Finance Limited
(formerly known as "Veritas Finance Private Limited")
CIN: U65923TN2015PLC100328

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

D Arulmany
Managing Director and Chief Executive Officer
DIN : 00009981
Place : Chennai

Naveen Raj R
Chief Financial Officer

Place : Chennai
Date : 30 April 2025

V Aruna
Company Secretary and Compliance Officer
Membership No. : A60078
Place : Chennai

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

GLOSSARY	
Terms	
Loan Disbursements	Loan Disbursements are net of cancellations
Loan book	Loan book represents Gross loan book after adjustment of unamortised processing fee and before adjustment of impairment loss allowance
Borrowings	Borrowings consists of Debt securities, Term Loans & Cash Credit availed after adjustment of unamortised processing fee
Net Interest Income	Interest income on Loans less Finance Cost (Excluding Interest expense on lease liabilities)
Key Ratios	
Gross NPA (%)	Stage 3 Loan Book / Total Loan Book (Gross NPA as per RBI's new IRACP norms as per 12th November 2021 circular is taken as Stage 3 Loan Book)
Net NPA (%)	(Stage 3 Loan Book minus Stage 3 ECL Provision) / (Total Loan Book minus Stage 3 ECL Provision)
Capital Adequacy Ratio (%)	Tier I & Tier II Capital / Risk Weighted Assets
Return on Total Assets (%)	Profit After Tax (PAT) /Average of Closing total assets
Return on Equity (%)	Profit After Tax (PAT) /Average of Closing Networth
Basic Earnings Per Share (INR)	Profit After Tax (PAT) / Weighted Average number of shares (Basic)
Diluted Earnings Per Share (INR)	Profit After Tax (PAT) / Weighted Average number of shares (Diluted)
Net Interest Margin (NIM)	(Interest Income on Loans-Finance Cost (excluding interest expense on lease liabilities))/ Average of Closing Loan book
Debt - Equity Ratio	Borrowings / Net Worth
Tooth to tail Ratio	Sales employees/ Total employees
Installment to Income (IIR) Ratio	Monthly loan installment amount / Monthly Income amount
Loan to Value (LTV) Ratio	Loan amount / Value of the asset or collateral being borrowed against
Growth Ratios (in %)	
Loan book growth	(Closing Loan book of this Financial Year minus Closing Loan book of last Financial Year) / Closing Loan book of last Financial Year
Loan Disbursements Growth	(Total Disbursements in this Financial Year minus Total Disbursements in last Financial Year) / Total Disbursements in last Financial Year

Notice to members - Annual General Meeting

Dear Sir/Madam,

Notice is hereby given that an Annual General meeting (AGM) of the members of Veritas Finance Limited (Formerly known as Veritas Finance Private Limited) ("Company") is scheduled to be held on Monday, 21st day of July 2025 at 10:00 AM through Video Conferencing mode (VC) and Other Audio Visual Means (OAVM), and for which the registered office of the Company situated at SKCL Central Square 1, South and North Wing, 7th Floor, Unit # C28-C35, CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600032, shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat.

In continuation to MCA's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022, General Circular No. 10/2022 dated 28.12.2022, General Circular No. 09/2023 dated 25.09.2023, the Ministry of Corporate Affairs has issued the General Circular No. 09/2024 dated 19.09.2024, which allows the Companies, whose AGMs are due in the year 2024 or 2025, to conduct their AGMs through Video Conference or Other Audio Visual Means (VC / OAVM) in accordance with the framework provided in the aforementioned circulars upto September 30, 2025.

As per the circular, the members may attend the Annual General Meeting via video conferencing or other audio-visual means. Keeping in line with the above notifications, the members are hereby informed that they may attend the AGM through VC / OAVM mode on July 21, 2025, at 10:00 AM.

The login details for video conferencing will be sent to the members to their registered e-mail address with the Company, well ahead of the meeting.

The agenda items for the meeting and its explanatory statement are given below in detail. Kindly make it convenient to attend the meeting.

The meeting is scheduled to transact the following businesses:

ORDINARY BUSINESSES:

1) TO CONSIDER, APPROVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND ITS ANNEXURES AND THE AUDITORS' THEREON:

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

RESOLVED THAT pursuant to section 129, 134, 137 and such other applicable provisions of the Companies Act, 2013, read with rules framed thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (including any statutory modifications or re-enactments, notified from time to time), the audited financial statements including statement of Profit and Loss Account, Balance Sheet of the Company as on March 31, 2025, along with the notes thereon, schedules thereto, Cash Flow Statements, Board's Report, and the Auditors' Report as on that date be and are hereby considered, approved and adopted.

RESOLVED FURTHER THAT Mr. D. Arulmany, Managing Director and CEO, Ms. V. Aruna, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to above resolution including but not limited to submitting copies of the same to statutory/ regulatory bodies and such stakeholders as may be required from time to time and to issue signed copy of the financial statements or extracts thereof, wherever required.

RESOLVED FURTHER THAT a Certified True Copy of this resolution shall be furnished as required under the signature of the Company Secretary of the Company to anyone concerned or interested in this matter.

2) TO CONSIDER AND APPROVE THE APPOINTMENT OF MS. PRIYAMVADA RAMKUMAR (HOLDING DIN: 07878808) AS A NOMINEE DIRECTOR, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT:

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

RESOLVED THAT in accordance with the provisions of Section 152, other applicable provisions of the Companies Act, 2013, the provisions of the Articles of Association, and based on the recommendation received from Nomination and Remuneration Committee and Board of Directors, Ms. Priyamvada Ramkumar (holding DIN: 07878808), Non-Executive Nominee Director, who retires by rotation, and being eligible for re-appointment, be and is hereby re-appointed as a Non-Executive Nominee Director of the Company.

RESOLVED FURTHER THAT Mr. D. Arulmany, Managing Director and CEO, Ms. V. Aruna, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to above resolution including but not limited to submitting copies of the same to statutory/ regulatory bodies and such stakeholders as may be required from time to time wherever required.

RESOLVED FURTHER THAT a Certified True Copy of this resolution shall be furnished as required under the signature of the Company Secretary of the Company to anyone concerned or interested in this matter.

SPECIAL BUSINESSES:

3) TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MR. D. ARULMANY (DIN: 00009981) AS THE MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER OF THE COMPANY FOR A FURTHER TERM OF FIVE YEARS:

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

RESOLVED THAT pursuant to the provisions of Section 152, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and Rules made thereunder (including any statutory modifications(s) or re-enactment thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors, consent of the members be and is hereby accorded to the re-appointment of Mr. D. Arulmany (DIN: 00009981) as Managing Director and Chief Executive Officer of the Company for a further period of five years with effect from July 03, 2025, to July 02, 2030.

RESOLVED FURTHER THAT the Board of Directors (which includes the Nomination & Remuneration committee thereof) be and is hereby authorised to fix, alter, vary and revise the terms and conditions of appointment and/ or remuneration during the period of his continuance in the office of Managing Director of the Company from time to time to the extent the Board of Directors may deem appropriate, provided that any such variation is within the overall limits as prescribed in the Companies Act, 2013, and Rules made thereunder.

RESOLVED FURTHER THAT in any financial year, during the currency of his tenure, if the Company has no profits or its profits are inadequate, it may pay remuneration to Mr. D. Arulmany (DIN: 00009981), Managing Director and Chief Executive Officer, by way of salary, allowances, commissions and perquisites not exceeding the limits specified in Part II of Section II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT any documents so executed and delivered or acts and things done or caused to be done by Mr. D. Arulmany (DIN: 00009981) in the scope of Managing Director and Chief Executive Officer prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

RESOLVED FURTHER THAT any of the directors or Ms. V. Aruna, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to furnish such intimations to the Reserve Bank of India and any other relevant statutory authorities, and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution and to take all such steps and actions for the purposes of making all such filings and registrations as may be required in this connection and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

RESOLVED FURTHER THAT a Certified True Copy of this resolution shall be furnished as required under the signature of the Company Secretary of the Company to anyone concerned or interested in this matter.

4) TO CONSIDER AND APPROVE THE PAYMENT OF ANNUAL COMMISSION TO THE INDEPENDENT DIRECTORS OF THE COMPANY FOR FY 2024-25:

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

RESOLVED THAT pursuant to the provisions of Section 149, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the relevant provisions of the Memorandum and Articles of Association of the Company and, subject to other approvals as may be required, approval of members of the Company be and is hereby accorded to pay remuneration by way of commission to the Non-Executive Independent Directors of the Company, excluding the fees payable to them for attending the meeting of the Board or Committees, of such sum as the Board of Directors may from time to time determine, provided that the payment and distribution of such sum by way of commission, in aggregate shall not exceed, one per cent of the net profits of the Company for each financial year as computed in the manner laid down in section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board (which shall include Nomination & Renumeration Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to this resolution as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any Director(s) and/ or Officer(s) of the Company to give effect to this resolution.

RESOLVED FURTHER THAT a Certified True Copy of this resolution shall be furnished as required under the signature of the Company Secretary of the Company to anyone concerned or interested in this matter.

By Order of the Board of Directors

For **Veritas Finance Limited**
(Formerly known as Veritas Finance Private Limited)

Sd/-
Ms. V. Aruna
Company Secretary & Compliance Officer

Place: Chennai
Date: June 28, 2025

NOTES

1. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the Annual general meeting is entitled to appoint a proxy to attend and vote on their behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA Circulars dated May 05, 2020, May 05, 2022, December 28, 2022, September 25, 2023, and September 19, 2024, through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form and attendance slip including route map for AGM are not annexed to this notice.
2. However, a Body Corporate member is entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes. Institutional/corporate members, are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and cast their votes.
3. The deemed venue for e-AGM shall be the registered office of the Company i.e. SKCL Central Square 1, South and North Wing, 7th Floor, Unit # C28-C35, CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600032.
4. Notice of AGM along with the copies of Financial Statements for the financial year ended March 31, 2025, including Board's Report and Auditors Report thereon as approved in the Board Meeting held on April 30, 2025, is being sent through e-mail to all members/Beneficiaries electronically, whose names appear on the Register of Members / Record of Depositories, on their registered e-mail id with the Company and no physical copy of the same would be dispatched. Notice calling the AGM and Annual Report has also been uploaded on the website of the Company at www.veritasfin.in.
5. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed and it forms part of this notice.
6. The Company shall conduct the AGM through VC / OAVM by using Zoom meetings ("Zoom") and the members are requested to follow instructions as stated in this notice for participating in this AGM through Zoom. An invite of the AGM shall be sent to the registered email addresses of the persons entitled to attend the Meeting, for joining the same through Zoom.
7. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of joint holder(s) attending the meeting through VC / OAVM, only such joint holder who is higher in the order of names will be entitled to vote.
8. Participants i.e. Members, Directors, Key Managerial Personnel and Auditors to whom this notice is being circulated are allowed to submit their queries, questions etc. before the AGM in advance on the e-mail address i.e. secretarial@veritasfin.in. Further, questions may also be posed concurrently during the AGM.
9. Members who have not registered their e-mail addresses are requested to register their e-mail address for receiving all communication including annual report, notices, circulars, etc. from the Company electronically.
10. The Register of Directors and Key Managerial Personnel, register of members and other registers maintained under Section 170 of the Companies Act, 2013, and all other documents referred to in the Notice will be open for inspection by the members between 11:00 AM to 04:00 PM on any working day at the registered office of the Company up to and including the date of AGM. Members seeking to inspect such documents can send an email at secretarial@veritasfin.in.

INSTRUCTION AS TO HOW THE MEMBERS CAN ACCESS AND PARTICIPATE IN THE MEETING THROUGH VC / OAVM:

1. The meeting begins at 10:00 AM on Monday, July 21, 2025. The members shall be allowed to login to the meeting from 09:30 AM to 10:00 AM. The link shall not be closed till the expiry of 15 minutes after such scheduled time.
2. The meeting shall be conducted through Zoom platform. The Video Conferencing login details including the meeting ID and the password, will be sent to the members to their registered e mail address with the Company, well ahead of the meeting.
3. Upon entering the meeting ID and the password, you will be connected to the virtual meeting room. The members are advised to log on to the Zoom website or log on through the Zoom mobile application 15 minutes before the meeting.
4. Further, members will be allowed to use camera, if required, and hence use internet with a good speed to avoid any disturbance during the meeting.
5. Members are requested to keep their Video ON at the time of voting to enable the Company to ascertain the votes cast on business transacted at the AGM. In case a poll is demanded on any item, members shall convey their vote by sending e-mail to secretarial@veritasfin.in .
6. The result of voting shall be declared in the meeting and the meeting shall be deemed to be conclusive after the declaration of result.
7. Members who need assistance before or during the AGM or if there any difficulties/ grievances relating to participation in the meeting shall contact Ms. V. Aruna, Company Secretary & Compliance Officer on 044- 46150029 or at Email Id: secretarial@veritasfin.in.
8. The facility of participation at the AGM through VC / OAVM will be made available to all the Directors, Members, Statutory Auditors, Secretarial Auditors and Debenture Trustees.
9. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/ video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of technical issue.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No. 3: TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MR. D. ARULMANY (DIN: 00009981) AS THE MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER OF THE COMPANY FOR A FURTHER TERM OF FIVE YEARS:

1. Mr. D. Arulmany (DIN: 00009981) was appointed as the Managing Director and Chief Executive Officer of the Company for a period of 5 years with effect from July 03, 2020. Accordingly, the current term of appointment of Mr. D. Arulmany is due to expire on July 02, 2025.

2. Based on the recommendation of Nomination and Remuneration Committee in its meeting held on April 29, 2025, the Board in its meeting held on April 30, 2025, subject to the approval of the members, has approved the re-appointment of Mr. D. Arulmany (DIN: 00009981) as the Managing Director and Chief Executive Officer of the Company for a further period of five years after his current tenure ends on July 02, 2025.

3. Mr. D. Arulmany (DIN: 00009981) is not disqualified from being re-appointed as a Managing Director in terms of Section 164 of the Companies Act, 2013. He has communicated his willingness to be re-appointed and has given his consent to act as the Managing Director of the Company. He satisfies all the conditions as set out in Section 196(3) of the said Act and Part-I of Schedule V thereof and hence, is eligible for re-appointment. His consent in writing for the proposed reappointment along with other applicable disclosures as required under the Act including form MBP-1 & DIR-8 will be available for inspection at the meeting.

4. Considering the valuable contributions made by Mr. D. Arulmany, it is proposed to re-appoint him for a further period of five years in line with the applicable provisions of Companies Act, 2013 ("Act"). The Company has received his notice of candidature as required under Section 160 of the Act.

5. A brief profile of Mr. D. Arulmany is provided in the "Annexure - 2" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India.

6. The Members may note that, based on the recommendation of the Nomination & Remuneration Committee at its meeting held on April 29, 2025, the Board in its meeting held on April 30, 2025, subject to the approval of the members, has approved the remuneration for Mr. D. Arulmany for FY 2025-26, the broad particulars of which are as below:

    - **Fixed pay:** Rs. 25.23 Lakhs per month with such incremental revision as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time. For the purpose of this clause, the term "Fixed Pay" shall mean and include: (i) basic salary payable; (ii) all allowances including but not limited to HRA, LTA, special allowance, and other allowances and benefits including but not restricted to reimbursement of expenses on medical, telephones, insurance, etc. and any other allowances and benefits as may be sanctioned by the Board from time to time.

    - **Variable Pay:** In addition to Fixed Pay, Mr. D. Arulmany shall also be entitled to annual performance pay of Rs. 70 Lakhs with such incremental revision as may be determined by the Nomination & Remuneration Committee and approved by the Board of Directors from time to time.

    - **Perquisites:** Perquisites/benefits will include provident fund, encashment of unavailed leave, gratuity, medical reimbursement, car scheme, personal accident insurance and perquisites as approved by the Board, from time to time, as per the policy / rules of the Company.

    - In the event of inadequacy of profits or loss in any financial year, the remuneration by way of salary, allowances, commission, perquisites and retirement benefits to Mr. D. Arulmany, shall be paid in accordance with Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

7. The proposed remuneration of Mr. D. Arulmany for FY 2025-26 and thereafter to be fixed for each financial year during his tenure, shall be within the limits as prescribed under the Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force).

8. The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

9. The Board of Directors of your Company recommends passing of the resolution set out at Item No. 3 as Special Resolution.

10. Other than Mr. D. Arulmany, whose tenure ends on July 02, 2025, and his relatives to the extent of their shareholding in the Company, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives is concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 3 of the Notice.

Item No. 4: TO CONSIDER AND APPROVE THE PAYMENT OF ANNUAL COMMISSION TO THE INDEPENDENT DIRECTORS OF THE COMPANY FOR FY 2024-25:

1. As on March 31, 2025, the Board of Directors of the Company consists of five Independent Directors. The Independent Directors bring relevant knowledge and expertise and provide required diversity in Board's decision-making process. Pursuant to Section 149(9), an independent director is entitled to receive (a) sitting fee for Board/ Committee meetings as may be prescribed under second proviso in Section 197(5); (b) reimbursement of expenses for attending the Board/Committee meetings, if any; (c) profit related commission as may be approved by the members.

2. Considering the aforementioned provisions, the Company has proposed to pay commission to the Independent Directors with the approval of the members. Based on the recommendation of Nomination and Remuneration Committee in its meeting held on April 29, 2025, the Board, in its meeting held on April 30, 2025, subject to the approval of the members, has approved to pay the following commission to the non-executive Independent Directors of the Company within the permissible limits under the Companies Act, 2013 and subject to such commission in aggregate does not exceed one per cent of the net profits of the Company for FY 2024-25:

    - Mr. Raj Vikash Verma, non-executive Chairman and Independent Director: Rs. 30,00,000 per annum
    - Mr. Suresh Subramanian, non-executive Independent Director: Rs. 20,00,000 per annum
    - Mr. Mathew Joseph, non-executive Independent Director: Rs. 20,00,000 per annum
    - Mr. Sankarson Banerjee, non-executive Independent Director: Rs. 20,00,000 per annum
    - Ms. Susan Thomas, non-executive Independent Director: Rs. 20,00,000 per annum

3. The aforesaid remuneration is exclusive of the fees payable to the Independent Directors for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

4. A brief profile of such Independent Directors is provided in the "Annexure - 3" to the Notice pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India.

5. In view of the above, the resolution at Item No. 4 of the notice is placed before the members for their approval as a Special Resolution.

6. Other than the Independent Directors of the Company to the extent of the commission that they may receive, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives is concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

Annexure - 1

Additional information about Directors pursuant to SS - 2 on General Meetings

Details of Ms. Priyamvada Ramkumar:

Name of Director	Ms. Priyamvada Ramkumar
Designation	Nominee Director
DIN	07878808
Date of Birth / (Age)	14/10/1982 / 42 years
Qualifications	Bachelor's degree in commerce, Postgraduate diploma in business management
Brief resume and Experience	Priyamvada Ramkumar is a Non-Executive Director of the Company. She holds a bachelor's degree in commerce from Stella Maris College, Chennai, Tamil Nadu and a postgraduate diploma in business management from XLRI School of Management, Jamshedpur, Jharkhand. She has over 18 years of experience in investment & commercial banking. Previously, she has been associated with Veda Corporate Advisors Private Limited as Vice President and ABN Amro Bank N.V., as Assistant Relationship Manager (Commercial Banking).
Expertise in specific Functional areas	Advisory and Commercial Banking Industry
Terms and conditions of appointment	Ms. Priyamvada Ramkumar was appointed as the Nominee Director (Lok Capital Growth Fund) with effect from October 12, 2018.
Remuneration sought to be paid	NIL
Date of first appointment on the Board	October 12, 2018
Shareholding in the Company as on date	NIL
Relationship with other Directors, Manager and KMP of the Company	None.
Number of Board Meetings attended during FY 2024-25	11
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. Sundaram Finance Holdings Limited - Director
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable.

Annexure - 2

Details of Mr. D. Arulmany:

Name of Director	Mr. D. Arulmany
Designation	Managing Director & Chief Executive Officer
DIN	00009981
Date of Birth / (Age)	09/03/1963 / 62 years
Qualifications	Post Graduate Diploma in Rural Management from (PGDRM) IRMA with graduation in Bachelor of Business Administration (BBA), Madurai Kamaraj University, Global Programme for Management from University of Michigan Business School.
Brief resume and Experience	D. Arulmany is the Founder and Managing Director & CEO of Company. He holds a bachelor's degree in business administration from Madurai Kamaraj University, Madurai, Tamil Nadu and a post graduate diploma in Rural Management from (PGDRM) Institute of Rural Management, Anand. He has also completed a global programme for management development from University of Michigan Business School, Michigan. He has over 25 years of experience in the financial services industry. Previously, he was associated with Aptus Value Housing Finance India Limited as President & CEO and with Cholamandalam Investment and Finance Company Limited.
Expertise in specific Functional areas	Financial Services Industry
Terms and conditions of appointment	Mr. D. Arulmany was re-appointed as the Managing Director and CEO of the Company for a period of five years from July 03, 2020.
Remuneration sought to be paid	As set out in the explanatory statement.
Date of first appointment on the Board	Date of first appointment as Director - April 30, 2015 Date of first appointment as Managing Director – July 03, 2015
Shareholding in the Company as on date	Holds 1,24,49,491 equity shares constituting 9.19% of the total equity share capital
Relationship with other Directors, Manager and KMP of the Company	None.
Number of Board Meetings attended during FY 2024-25	12
Other Directorships, Membership/ Chairmanship of Committees of other Boards	None.
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable.

Annexure - 3

Details of Mr. Raj Vikash Verma

Name of Director	Mr. Raj Vikash Verma
Designation	Chairman and Non-Executive Independent Director
DIN	03546341
Date of Birth / (Age)	17/01/1955 / 70 years
Qualifications	Bachelor's degree in Economic (Honours) from Hindu College, University of Delhi, Delhi and master's degree in economics from The Delhi School of Economics, University of Delhi, Delhi. He also holds a Master of Business Administration from the University of Delhi, Delhi
Brief resume and Experience	Mr. Raj Vikash Verma is the Chairman and Non-Executive Independent Director of the Company. He is a member of the Indian Institute of Banking & Finance. He has over 34 years of experience in banking. Prior to joining our Company, he served as the whole-time member and the officiating chairperson of the Pension Fund Regulatory and Development Authority and as the chairman and managing director of the National Housing Bank. He was also associated with Central Registry of Securitization Asset Reconstruction and Security Interest of India as Registrar, Managing Director and Chief Executive Officer.
Expertise in specific Functional areas	Banking and Finance Industry
Terms and conditions of appointment	Mr. Raj Vikash Verma was appointed as the Chairman and Non-Executive Independent Director of the Company with effect from July 16, 2024.
Remuneration sought to be paid	As set out in the explanatory statement, excluding sitting fees of Rs. 8,30,000/- already paid for FY 2024-25
Date of first appointment on the Board	Date of first appointment as Additional Director – July 16, 2024 Date of regularisation – September 30, 2024
Shareholding in the Company as on date	Nil
Relationship with other Directors, Manager and KMP of the Company	None.
Number of Board Meetings attended during FY 2024-25	10
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. RMBS Development Company Limited - Director 2. SBI Pension Funds Private Limited - Nominee Director 3. Encore Asset Reconstruction Company Private Limited – Director 4. Aadhar Housing Finance Limited - Director
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Financial Services; Management and Governance; Consumer behaviour, sales, marketing and customer experience; Understanding of accounting and financial statements; Risk, Assurance and Internal Controls; Regulatory, Public policy and economics; Business Transformation and Strategy; Experience in dealing with the Government and Regulators and external stakeholders.

Details of Mr. Suresh Subramanian

Name of Director	Mr. Suresh Subramanian
Designation	Non-Executive Independent Director
DIN	02070440
Date of Birth / (Age)	20/07/1960 / 64 years
Qualifications	Bachelor's degree in commerce (Honours Course) from University of Delhi, Delhi, fellow member of the Institute of Chartered Accountants of India.
Brief resume and Experience	Mr. Suresh Subramanian is a Non-Executive Independent Director of the Company. He has experience in auditing and accounting. He was previously associated with S. R. Batliboi & Associates LLP as a partner with their assurance practice.
Expertise in specific Functional areas	Auditing and Accounting
Terms and conditions of appointment	Mr. Suresh Subramanian was appointed as the Non-Executive Independent Director of the Company with effect from November 24, 2023.
Remuneration sought to be paid	As set out in the explanatory statement, excluding sitting fees of Rs. 15,80,000/- already paid for FY 2024-25
Date of first appointment on the Board	Date of first appointment as Additional Director – November 24, 2023 Date of regularisation – December 23, 2023
Shareholding in the Company as on date	Nil
Relationship with other Directors, Manager and KMP of the Company	None.
Number of Board Meetings attended during FY 2024-25	12
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. Delphi-TVS Technologies Limited - Director 2. Manikaram Seva Foundation - Director 3. Saksoft Limited - Director 4. Sundaram Trustee Company Limited - Director 5. Coromandel International Limited - Director
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Financial Services; Management and Governance; Technology and Digital Innovation; Understanding of accounting and financial statements; Risk, Assurance and Internal Controls; Regulatory, Public policy and economics; Business Transformation and Strategy.

Details of Mr. Mathew Joseph

Name of Director	Mr. Mathew Joseph
Designation	Non-Executive Independent Director
DIN	01033802
Date of Birth / (Age)	06/05/1961 / 64 years
Qualifications	Member of the Institute of Chartered Accountants of India
Brief resume and Experience	Mr. Mathew Joseph is a Non-Executive Independent Director of the Company. He has over 36 years of experience in the financial industry. Previously, he was associated with HDFC Bank Limited as a member of Executive Management and Chief Risk Office.
Expertise in specific Functional areas	Financial Industry
Terms and conditions of appointment	Mr. Mathew Joseph was appointed as the Non-Executive Independent Director of the Company with effect from November 24, 2023.
Remuneration sought to be paid	As set out in the explanatory statement, excluding sitting fees of Rs. 15,20,000/- already paid for FY 2024-25
Date of first appointment on the Board	Date of first appointment as Additional Director – November 24, 2023 Date of regularisation – December 23, 2023
Shareholding in the Company as on date	Nil
Relationship with other Directors, Manager and KMP of the Company	None.
Number of Board Meetings attended during FY 2024-25	11
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. Tamilnadu Urban Infrastructure Financial Services Limited - Nominee Director 2. Tamilnadu Urban Infrastructure Trustee Company Limited - Nominee Director 3. IIFL Home Finance Limited - Independent Director
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Financial Services; Management and Governance; Consumer behaviour, sales, marketing and customer experience; Understanding of accounting and financial statements; Risk, Assurance and Internal Controls; Regulatory, Public policy and economics; Human Resource; Business Transformation and Strategy.

Details of Ms. Susan Thomas

Name of Director	Ms. Susan Thomas
Designation	Non-Executive Independent Director
DIN	09760548
Date of Birth / (Age)	26/04/1967 / 58 years
Qualifications	Bachelor's degree in arts from the Women's Christian College, University of Madras, Chennai, a master's degree in arts from University of Madras, Chennai and Doctor of Philosophy from Indian Institute of Technology, Madras, Chennai.
Brief resume and Experience	Ms. Susan Thomas is a Non-Executive Independent Director of the Company. She has over 18 years of experience in Human Resources. Previously, she was associated with Loyola Institute of Business Administration as Associate Professor (Human Resource), with Murugappa group as the Head – Group Human Resource Department and with Sundram Fasteners Limited as Executive Vice President – Human Resource.
Expertise in specific Functional areas	Human Resources
Terms and conditions of appointment	Ms. Susan Thomas was appointed as the Non-Executive Independent Director of the Company with effect from July 16, 2024.
Remuneration sought to be paid	As set out in the explanatory statement, excluding sitting fees of Rs. 9,30,000/- already paid for FY 2024-25
Date of first appointment on the Board	Date of first appointment as Additional Director – July 16, 2024 Date of regularisation – September 30, 2024
Shareholding in the Company as on date	Nil
Relationship with other Directors, Manager and KMP of the Company	None.
Number of Board Meetings attended during FY 2024-25	10
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. Prashanth Overseas Supplies House Private Limited - Director 2. Joy Foam Private Limited - Director
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Human Resource; Financial Services Management and Governance; Consumer behaviour, sales, marketing and customer experience; Business Transformation and Strategy; Special knowledge and practical experience in CSR and the NGO sector.

Details of Mr. Sankarson Banerjee

Name of Director	Mr. Sankarson Banerjee
Designation	Non-Executive Independent Director
DIN	07407346
Date of Birth / (Age)	06/02/1970 / 55 years
Qualifications	Bachelor's degree in engineering from Indian Institute of Kharagpur, West Bengal and a post-graduate diploma in management from Indian Institute of Management, Calcutta, West Bengal.
Brief resume and Experience	Mr. Sankarson Banerjee is a Non-Executive Independent Director of the Company. He has over 20 years of experience in IT sector. Previously, he was associated with RBL Bank in the capacity of chief information officer, with National Stock Exchange of India Limited in the capacity of chief technology officer - Projects and with India Infoline Limited as chief information officer. He was also associated with Mphasis, Accenture, IBM and Pantaloon Retail (India) Limited.
Expertise in specific Functional areas	IT Sector
Terms and conditions of appointment	Mr. Sankarson Banerjee was appointed as the Non-Executive Independent Director of the Company with effect from March 27, 2024.
Remuneration sought to be paid	As set out in the explanatory statement, excluding sitting fees of Rs. 11,95,000/- already paid for FY 2024-25
Date of first appointment on the Board	Date of first appointment as Additional Director – March 27, 2024 Date of regularisation – April 20, 2024
Shareholding in the Company as on date	Nil
Relationship with other Directors, Manager and KMP of the Company	None.
Number of Board Meetings attended during FY 2024-25	11
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. Zerodha Trustee Private Limited - Director 2. Brave For Free Consulting (OPC) Private Limited - Director 3. Nuvama Wealth Finance Limited - Director 4. Nuvama Custodial Services Limited - Director 5. Epimoney Private Limited - Director
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Financial Services; Management and Governance; Technology and Digital Innovation; Understanding of accounting and financial statements; Risk, Assurance and Internal Controls; Regulatory, Public policy and economics; Business Transformation and Strategy

Notes

Life at Veritas

Festivities







Women's Day







10 Year Celebrations







VERITAS FINANCE

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