SVATANTRA MICROFIN PRIVATE LIMITED

STANDALONE FINANCIAL STATEMENT

FINANCIAL YEAR 2024-25

Svatantra Microfin Private Limited
Standalone balance sheet as at 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	31,724	99,697
(b) Bank balances other than cash and cash equivalents	3	11,652	8,832
(c) Derivative financial instruments	4	540	-
(d) Receivables			
(i) Trade receivables	5	140	112
(ii) Other receivables	5	174	451
(e) Loans	6	5,82,701	6,40,279
(f) Investments	7	1,73,790	1,55,598
(g) Other financial assets	8	10,356	8,347
Total financial assets		**8,11,077**	**9,13,316**
(2) Non-financial assets			
(a) Current tax assets (net)		2,956	620
(b) Deferred tax assets (net)	9	10,731	12,214
(c) Property, plant and equipment	10	1,901	1,503
(d) Right of use asset	11	1,088	1,338
(e) Intangibles assets	12	458	231
(f) Intangible assets under development	13	1,473	-
(g) Other non financial assets	14	1,236	990
Total non-financial assets		**19,843**	**16,896**
TOTAL ASSETS		**8,30,920**	**9,30,212**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables	15		
I) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		319	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,131	1,091
II) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		675	544
(b) Debt securities	16	-	5,000
(c) Borrowings (other than debt securities)	17	4,35,790	6,22,578
(d) Subordinated liabilities	18	41,010	40,786
(e) Lease liabilities		1,198	1,363
(f) Other financial liabilities	19	12,718	9,823
Total financial liabilities		**4,92,841**	**6,81,185**
(2) Non-financial liabilities			
(a) Provisions	20	2,276	1,773
(b) Other non-financial liabilities	21	838	657
Total non-financial liabilities		**3,114**	**2,430**
TOTAL LIABILITIES		**4,95,955**	**6,83,615**
EQUITY			
(a) Equity share capital	22	62,689	25,205
(b) Instruments entirely equity in nature	22	-	1,75,500
(c) Other equity	22	2,72,276	45,892
TOTAL EQUITY		**3,34,965**	**2,46,597**
TOTAL LIABILITIES AND EQUITY		**8,30,920**	**9,30,212**
Summary of material accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Managing Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Standalone statement of profit and loss for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations			
Interest income	23	1,44,595	1,58,469
Fees and commission income	24	642	1,147
Net gain on fair value changes	25	2,127	1,677
Net gain on derecognition of financial instruments under amortized cost category		13,051	11,772
Total Revenue from operations		**1,60,415**	**1,73,065**
Other income	26	4,124	2,744
Total income		**1,64,539**	**1,75,809**
EXPENSES			
Finance costs	27	57,491	67,378
Impairment on financial instruments	28	29,838	36,999
Employee benefit expenses	29	36,274	28,002
Depreciation and amortization expenses	30	1,315	1,030
Other expenses	31	18,031	13,800
Total expenses		**1,42,949**	**1,47,209**
Profit before tax		**21,590**	**28,600**
Tax expense:			
Current tax	33	3,713	8,834
Excess/short provision of tax relating to earlier years		(90)	209
Deferred tax credit		1,477	(2,079)
Profit for the year [A]		**16,490**	**21,636**
Other comprehensive income, net of tax			
Item that will not to be reclassified to the statement of profit and loss			
Remeasurement of the defined benefit		(120)	(79)
Less: Income tax expense on above		30	20
Other comprehensive income for the year [I]		**(90)**	**(59)**
Item that will be reclassified to the statement of profit and loss			
Derivatives designated at cash flow hedge		(56)	-
Less: Income tax expense on above		14	-
Other comprehensive income for the year [II]		**(42)**	**-**
Total other comprehensive income for the year [I+II] [B]		**(132)**	**(59)**
Total comprehensive income for the year [A+B]		**16,358**	**21,577**
Earnings per equity share (Rs.)			
Basic		2.97	5.57
Diluted		2.96	5.55
Nominal value per share		10.00	10.00
Summary of material accounting policies	2		

The accompanying notes are an integral part of financial statements

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Place : Mumbai
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Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Standalone statement of cash flows for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	**21,590**	**28,600**
Cash flow from operating activities		
Adjustment for:		
Income from investments	(2,393)	(1,677)
Depreciation and amortisation	1,315	1,030
Interest on fixed deposits	(1,694)	(2,197)
Finance cost on lease liabilities	138	96
Employee stock option expense	99	53
Gain on derecognition	(13,051)	(11,772)
Amortisation of Interest Income	(388)	(275)
Amortisation of Interest Expense	1,203	745
Impairment on financial instruments	29,838	36,999
Movement in working capital:		
- (Increase) / decrease in loans and advances	28,124	(50,263)
- (Increase) / decrease in receivables	249	1,130
- (Increase) / decrease in other financial assets	11,043	9,461
- (Increase) / decrease in other non financial assets	(246)	1,040
- Increase / (decrease) in trade payables	492	92
- Increase / (decrease) in other financial Liabilities	2,896	676
- Increase / (decrease) in other non financial Liabilities	181	16
- Increase / (decrease) in provisions	383	507
Cash flow generated from/(used in) operations	**79,779**	**14,261**
Income tax paid (net)	(5,909)	(9,295)
Cash flow generated from/(used in) operations [A]	**73,870**	**4,966**
Cash flow from/(used in) investing activities		
Purchase of property, plant and equipment, intangibles including intangibles under development	(2,986)	(1,382)
Proceeds from sale of property, plant and equipment and intangibles	15	204
Capital advance given	(88)	(663)
Purchase of mutual funds	(6,46,168)	(6,27,069)
Proceeds of sale of mutual funds	6,48,260	6,28,745
Interest received on fixed deposits	1,271	2,711
Proceeds from security receipts	-	1,950
Purchase of Government securities and others	(6,87,034)	-
Sale of Government securities and others	6,86,835	-
Investment in subsidiary	(17,692)	-
Acquisition of subsidiary	-	(1,55,598)
Maturity /(investments) of / in fixed deposits	(2,397)	39,713
Cash flow generated from/(used in) investing activities [B]	**(19,984)**	**(1,11,389)**
Cash flow from/(used in) financing activities		
Proceeds from issuance of compulsorily convertible preference shares	-	1,10,000
Proceeds from borrowings, debt securities and subordinated liabilities	1,90,200	4,56,731
Repayment of borrowings, debt securities and subordinated liabilities	(3,83,565)	(4,15,170)
Proceeds from issue of share capital (including securities premium)	83,000	-
Dividend paid	(11,087)	-
Repayment of lease liabilities	(407)	(389)
Cash flow generated from/(used in) financing activities [C]	**(1,21,859)**	**1,51,172**
Net increase/(decrease) in cash and cash equivalents [A+B+C]	**(67,973)**	**44,749**
Cash and cash equivalents at the beginning of the year (Refer Note 3(a))	99,697	54,948
Cash and cash equivalents at the end of the year (Refer Note 3 (a))	31,724	99,697

S.R. BATLIBOI & CO. LLP ★ Chartered Accountants MUMBAI

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SVATANTRA MICROFIN PRIVATE LIMITED ★ MUMBAI

Svatantra Microfin Private Limited
Standalone statement of cash flows for the year ended 31 March 2025

Change in liabilities arising from financing activities

Particulars	As at 1 April 2023	Cash flows	Change in fair value	Other	As at 31 March 2024
Debt securities	21,930	(17,045)	-	115	5,000
Borrowings(Other than debt securities)	5,56,307	66,107	-	164	6,22,578
Deposits	-	-	-	-	-
Subordinated liabilities	47,821	(7,500)	-	465	40,786

Particulars	As at 1 April 2024	Cash flows	Change in fair value	Other	As at 31 March 2025
Debt securities	5,000	(5,023)	-	23	-
Borrowings(Other than debt securities)	6,22,578	(1,88,342)	-	1,554	4,35,790
Deposits	-	-	-	-	-
Subordinated liabilities	40,786	-	-	224	41,010

Notes:
1. All figures in bracket are outflow.
2. The statement of cash flow has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows".
3. Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
4. For movement of lease liabilities, refer note no. 40

The accompanying notes are an integral part of financial statements

As per our report of even date attached
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Partner
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Place : Mumbai
Date : 29 May 2025

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Managing Director
DIN No. 07962531
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Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Standalone statement of Changes in Equity for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	25,20,46,875	25,205	25,20,46,875	25,205
Change in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	25,20,46,875	25,205	25,20,46,875	25,205
Changes in equity share capital during the year	37,48,39,705	37,484	-	-
Balance at the end of the year	**62,68,86,580**	**62,689**	**25,20,46,875**	**25,205**

B. Instruments entirely equity in nature

Compulsorily convertible non-cumulative preference shares ("CCPS")

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	17,55,00,000	1,75,500	6,55,00,000	65,500
Change during the year	(17,55,00,000)	(1,75,500)	11,00,00,000	1,10,000
Balance at the end of the year	-	-	**17,55,00,000**	**1,75,500**

C. Other equity

Particulars	Reserves and surplus						Other comprehensive income		Total
	Securities premium	Capital reserve	Statutory reserves	Impairment reserve	Employee stock option plan reserve	Retained earnings	Remeasurement of gain/(loss) on defined benefit plans	Effective portion of cash flow hedge	
Balance at 31 March 2023	**4**	**442**	**5,179**	**235**	**187**	**18,196**	**19**	**-**	**24,262**
Profit for the year	-	-	-	-	-	21,636	-	-	**21,636**
Remeasurement of the net defined benefit liability/asset (net of tax)	-	-	-	-	-	-	(59)	-	**(59)**
Transfer to statutory reserve	-	-	4,520	-	-	(4,520)	-	-	-
Expenses on stock option plan	-	-	-	-	53	-	-	-	**53**
Balance at 31 March 2024	**4**	**442**	**9,699**	**235**	**240**	**35,312**	**(40)**	**-**	**45,892**
Profit for the year	-	-	-	-	-	16,490	-	-	**16,490**
Remeasurement of the net defined benefit liability/asset (net of tax)	-	-	-	-	-	-	(91)	-	**(91)**
Derivatives designated at cash flow hedge	-	-	-	-	-	-	-	(42)	**(42)**
Transfer to security premium	2,21,016								**2,21,016**
Transfer to statutory reserve	-	-	3,298	-	-	(3,298)	-	-	-
Expenses on stock option plan	-	-	-	-	99	-	-	-	**99**
Dividend on CCPS	-	-	-	-	-	(11,088)	-	-	**(11,088)**
Balance at 31 March 2025	**2,21,020**	**442**	**12,997**	**235**	**339**	**37,416**	**(131)**	**(42)**	**2,72,276**

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Membership No. 17227
Place : Mumbai
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1 Corporate Information

Svatantra Microfin Private Limited ('the Company" or "SMPL") (CIN: U74120MH2012PTC227069) is a private limited company incorporated on 17 February 2012 under the provision of the Companies Act, 1956 applicable in india having its registered office at 20th Floor, Sunshine Towers, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400 013, Maharashtra. The Company is registered with Reserve Bank of India (RBI) as a "Non Banking Financial Company- Micro Finance Institution with effect from 05 February 2013 (Certificate of Registration Number: N-13.02038)". It's non-convertible debentures are listed on BSE Limited.

The Company is engaged primarily in providing micro finance services to women and organized as Joint Liability Groups ('JLG') or Individual Loans ('IL'). In addition to the core business of providing micro-credit, the Company uses its distribution channel to provide certain other financial products and services to the members.

1.1 Basis of accounting and preparation of standalone financial statements

i. Statement of Compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and other relevant provisions of the Act. Any application guidance/clarifications/ directions issued by Reserve bank of India and other regulators are implemented as and when they are issued/ applicable.

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The financial statements have been prepared on going concern basis in accordance with the Ind AS 1.

2 Material accounting policies

i. Preparation of Financial Statements

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Notes to financial statements.

The Company consistently applies the following accounting policies to all periods presented in these standalone financial statements, unless otherwise stated.

The standalone financial statements for the year ended 31 March 2025 were authorised for issue by the board of directors as on 29 May 2025.

Functional and presentation currency

These standalone financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

ii. Measurement of fair values

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

b. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

iii. Revenue recognition

Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost other than credit-impaired assets and financial assets classified as measured at FVTPL. Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of ECL provision) of the financial asset.

The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset adjusted for upfront expenses and incomes attributable to the acquisition of the financial asset.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront. On derecognition of the loan receivables 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) shall be recognised upfront in the Statement of Profit and Loss.

Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at Fair value through profit and loss ("FVTPL") and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain\loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortised is presented separately under the respective head in the Statement of Profit and Loss.

Revenue from operations other than interest income

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'.

(a) Fees and commission income

The Company recognises commission income on completion of distribution of third-party products

(b) Other operating income

The Company recognises recoveries against written off financial assets on realisation.

Any other operating income is recognised on completion of service.

Income from direct assignment and securitization

Interest Income on securitized loans are considered at par with own loans and is also recognised under the Effective Interest Rate method. In case of Direct Assignment, Company recognize the income upfront on the basis of fair value by discounting the entire interest strip (excess interest spread) of assigned portfolio.

iv. Impairment of financial assets

Loan assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is calculated to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

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SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVTOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

i) Stage 1: 12-months ECL - For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

ii) Stage 2: Lifetime ECL – not credit impaired - For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD 31 days to 90 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

iii) Stage 3: Lifetime ECL – credit impaired - Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD more than 90 days are classified as stage 3.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.
The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

It has been the Company's policy to regularly review its ECL model in the context of actual loss experience and adjust when necessary. For details, refer note 38 (C).

Other receivables

In respect of other receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Write-offs :

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

v. Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

v(a) Derivative Financial Instruments

The Company enters into a derivative financial instruments to manage its exposure to foreign exchange rate risk arising on account of repayment of external commercial borrowings and debts. Derivatives held are cross currency swaps.

Initial Recognition and Subsequent Measurement

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in the Statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedges) or hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

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Hedge Accounting

The Company uses derivative instruments to manage its risk on exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction and the nature of the risk being hedged. Hedge effectiveness is determined at the inception of the hedge relationship and at the end of each reporting period end through the assessment of the hedged items and hedging instrument to determine whether there is still an economic relationship between the two. The critical terms of the foreign currency derivatives entered into exactly match the terms of the hedged item. As such the economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on floating interest rate) or a highly probable forecast transaction that can affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI reserve within Other Equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as Finance Cost in the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time is transferred to the Statement of Profit and Loss.

v(b) Non-derivative financial instruments

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Non-derivative financial assets
Subsequent measurement

i. Financial assets carried at amortised cost

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. Investments in equity instruments

Investments in equity instruments which are held for trading are classified at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to Statement of Profit and Loss. However, the Company transfers the cumulative gain or loss within equity.
Dividends on such investments are recognised in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. Investments in mutual funds and government securities etc.

Investments in such financial instruments are measured at fair value through profit and loss (FVTPL) except investment in subsidiary which is measured at cost.

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De-recognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:
• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement;
A transfer only qualifies for derecognition if either :
(a) the Company has transferred substantially all the risks and rewards of the asset, or
(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.
When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. The Company continues to recognise the assets on finance on books which has been securitized under pass through arrangement and does not meet the de-recognition criteria.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Profit and Loss. Accordingly, gain or loss on sale or derecognition of assigned portfolio are recorded upfront in the Statement of Profit and Loss as per Ind AS 109. Also, the Company recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset. As per the guidelines of RBI, the Company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ('MRR'). Therefore, it continues to recognise the portion retained by it as MRR.

Non-derivative financial liabilities
Subsequent measurement
Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments
Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:
i) The normal course of business
ii) The event of default
iii) The event of insolvency or bankruptcy of the Company and/or its counterparties

vi. Foreign currency
Company enters to foreign currency transactions during the course of business predominantly relating to borrowing (availement/repayment of borrowing) and payment of fee/charges towards services/products such as license costs, maintenance charges etc.
i) All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.
ii) Foreign currency monetary items are reported using the exchange rate prevailing at the close of the period.
iii) Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

vii. Property, plant and equipment
Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, attributable to the assets.

Subsequent Cost
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation
i. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, at the annual depreciation rates and in the manner stipulated in Schedule II to the Companies Act, 2013 or based on the depreciation rates as per the estimated useful life of the assets determined by the management, whichever is higher as follows.

Assets Category	Useful Life (in years)
Computer Equipment	3
Computer Servers	6
Furniture & Fixtures	10
Office Equipments	5
Leasehold improvements are amortised over the lease period.	

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ii. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives.

iii. Property, plant and equipment costing up to INR 5,000 (amount in full) individually are fully depreciated in the year of purchase.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition of assets
An item of property plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Amortisation of Intangible Assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.The Company's intangible assets mainly comprise computer software. These assets are considered to have a finite useful life and are amortised over 5 years using the straight-line method.

Subsequent expenditure
Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Derecognition of assets
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 its use or disposal. Any gain or loss arising 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.

Capital work-in-progress
Capital work-in-progress are carried at cost less impairment loss, if any, comprising direct cost and related incidental expenses to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

Intangible assets under development
An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

viii. Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to item that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax
Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act,1961 and any adjustment to tax payable or receivable in respect of prior years. Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

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Deferred tax
Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

ix. Employee Benefits

ESOP
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 43 That cost is recognised, together with a corresponding increase in Employee stock option plan reserves in equity, over the period in which the 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 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 of service conditions have not been met. 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.

Short-term employee benefits:
Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Contribution to provident fund and other funds :
In accordance with Indian Law, eligible employees receive benefits from Provident Fund , Employee State Insurance Contribution (ESIC) and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Gratuity:
Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit / obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefits / obligations are calculated at the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to other comprehensive income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods
Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.

Compensated Absences:
The employees of the Company are entitled to leave as per the leave policy of the Company. The liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

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x. Borrowing costs:
Borrowing cost of financial liabilities is recognised using the Effective Interest Rate (EIR) method.

xi. Impairment of non-financial assets
At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

xii. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the cash management

xiii. Provisions, Contingent liabilities and Contingent assets:
Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

xiv. Earnings per share
The basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period.
Diluted EPS is calculated by dividing the net profit for the year attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

xv. Leases

As a lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right of use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment.

b. Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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The Company's lease liabilities are included in other financial liabilities.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.1 Critical accounting estimates and judgements

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

i. Fair value of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes.

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.

Fair value measurements under Ind-AS 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: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 37.

ii. Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward looking information. The inputs used and process followed by the Company in determining the ECL have been detailed in Note 38(c).

iii. Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

iv. Business model assessment

Classification and measurement of financial assets depends on the results of the business model 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. 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.

v. Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

vi. Leases

- The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

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vii. Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced

viii. Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ix. Provisions and contingencies

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. 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.

2.2 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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3 (a) Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	3	5
Balances with banks		
- In current accounts	25,217	37,077
- Deposit with original maturity of less than three months (Refer note below)	-	62,615
Investment in reverse repo		
- Investment in reverse repo	6,504	-
	31,724	**99,697**

Note: Short-term deposits are placed for varying periods between one day to three months, depending on the immediate cash requirements of the Company.

(b) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
In fixed deposit accounts with original maturity of less than 12 months*	12	-
In fixed deposit accounts with original maturity of more than 12 months*	11,640	8,832
	11,652	**8,832**

* Represent deposits placed as cash collateral in connection with term loans amounting to Rs. 12 lakhs (original maturity less than 12 months) and Rs. 10,802 lakhs (original maturity more than 12 months) (previous year amounting to Rs. 7965 lakhs).

4 Derivative financial instruments

Particulars	As at 31 March 2025			For the year ended 31 March 2025	
Cross currency swap	**Notional amount**	**Fair value assets**	**Fair value liabilities**	**Hedging (gains) or losses recognised in other comprehensive income**	**Hedge ineffectiveness recognised in statement of profit and loss**
- Cross currency swap					
USD	16,118	540	-	(56)	-
	16,118	**540**	**-**	**(56)**	**-**

Particulars	As at 31 March 2024			For the year ended 31 March 2024	
Cross currency swap	**Notional amount**	**Fair value assets**	**Fair value liabilities**	**Hedging (gains) or losses recognised in other comprehensive income**	**Hedge ineffectiveness recognised in statement of profit and loss**
- Cross currency swap					
USD	-	-	-	-	-
	-	-	-	-	-

The Company has policy for entering into derivative transactions. Derivatives comprises of cross currency swap entered by the Company to hedge foreign currency borrowings.

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SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

(All amounts in ₹ Lakhs unless otherwise stated)

5 Receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables		
Trade receivables - considered good - secured	-	-
Trade receivables - considered good - unsecured	140	112
	140	**112**
Other receivables		
Other receivables - considered good - unsecured	174	451
Unsecured and considered having significant increase in credit risk	-	-
Allowance for other receivables having significant increase in credit risk	-	-
	174	**451**
	314	**563**

Trade receivables ageing schedule as at 31 March 2025

Particulars	Not due	Outstanding from due date of payment					
		Less than 6 Months	6 months to 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Trade Receivables							
Undisputed trade receivables - considered good	140	-	-	-	-	-	140

There are no balances unbilled as at 31 March 2025.

Trade receivables ageing schedule as at 31 March 2024

Particulars	Not due	Outstanding from due date of payment					
		Less than 6 Months	6 months to 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Trade Receivables							
Undisputed trade receivables - considered good	-	112	-	-	-	-	112

There are no balances not due or unbilled as at 31 March 2024.

Note: No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

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6 Loans

Particulars	As at 31 March 2025	As at 31 March 2024
(A) Loans at amortised cost		
(i) Term loans (Joint liability group and individual loans)	6,24,273	6,90,881
(ii) Loans to employees	103	134
Total (A) - Gross	**6,24,376**	**6,91,015**
Less: Impairment loss allowance	41,675	50,736
Total (A) - Net	**5,82,701**	**6,40,279**
(B) Secured/unsecured		
(i) Secured by tangible assets and intangible assets	-	-
(ii) Unsecured	6,24,376	6,91,015
Total (B) - Gross	**6,24,376**	**6,91,015**
Less: Impairment loss allowance	41,675	50,736
Total (B) - Net	**5,82,701**	**6,40,279**
(C)Loans in India		
(i) Public Sector	-	-
(ii) Others	6,24,376	6,91,015
Total (C)- Gross	**6,24,376**	**6,91,015**
Less: Impairment loss allowance	41,675	50,736
Total(C)-Net	**5,82,701**	**6,40,279**
(D) Loans outside India		
(i) Loan outside India	-	-

7 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Investment carried at fair value through profit and loss		
Investment in treasury bill	500	-
Investment carried at cost		
Investment in subsidiary		
Unquoted		
Investment in Chaitanya India Fin Credit Private Limited ("Chaitanya")	1,73,290	1,55,598
Total	**1,73,790**	**1,55,598**
Out of Above		
(i) Investments in India	1,73,790	1,55,598
(Ii) Investments in outside India	-	-
Total	**1,73,790**	**1,55,598**

During the previous year ended 31 March 2024, the Company acquired 100% equity stake in Chaitanya India Fin Credit Private Limited ("Chaitanya"), a Non-Banking Financial Company – Micro Finance Institution (NBFC-MFI) registered with the Reserve Bank of India. The acquisition involved purchase of 15,76,66,666 equity shares of face value INR 10 each, pursuant to which Chaitanya became a wholly-owned subsidiary of the Company with effect from 23 November 2023.
The Company further infused capital in Chaitanya by way of subcribing to the rights issue and subscribed to 2,20,73,333 equity shares of INR 10 each face value at a premium of INR 70.15 per share, aggregating to a total investment of INR 17,691.77 lakhs. The equity shares were allotted to the Company on 16 December 2024.

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(All amounts in ₹ Lakhs unless otherwise stated)

8 Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost : Unsecured, considered goods		
Excess interest spread (EIS) receivable	8,173	7,324
Less: Impairment loss allowance	(305)	-
	7,868	**7,324**
Security deposits	324	266
Receivable from insurance company	2,065	662
Other receivable	99	95
Unsecured, considered doubtful		
Receivables - unsecured, considered doubtful	423	79
Provision for doubtful advances	(423)	(79)
	10,356	**8,347**

Reconciliation of impairment loss allowance on other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Impairment loss allowance as at beginning of the year	79	66
Net increase/(decrease) during the year	649	13
Impairment loss allowance as at the end of the year	728	79

9 Deferred tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets		
On account of:		
Impairment of financials instruments	10,593	12,354
Expenses allowable on payment basis	658	509
Temporary differences of written down value of intangible assets and property, plant and equipment	259	228
Transaction costs on loans	1,561	1,659
Lease liabilities	107	358
Derivatives designated at cash flow hedge	14	-
Total deferred tax assets	**13,192**	**15,108**
Deferred Tax liabilities		
On account of:		
Transaction costs on borrowings and debt securities	412	714
Measurement gain on direct assignment	1,980	1,843
Right to use of assets	69	337
Total deferred tax Liabilities	**2,461**	**2,894**
Net Deferred tax assets / (liabilities)	**10,731**	**12,214**

(Refer note 33.2 for movement of deferred tax assets/(liabilities)).

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(All amounts in ₹ Lakhs unless otherwise stated)

10 Property, plant and equipment

Particulars	Furniture & fixtures	Computers	Office equipments	Leasehold Improvements	Total
Gross Carrying Amount (at cost)					
As at 1 April 2023	**669**	**1,780**	**827**	**110**	**3,386**
Additions	142	394	478	5	1,019
Disposals	2	42	70	-	114
As at 31 March 2024	**809**	**2,132**	**1,235**	**115**	**4,291**
Additions	110	404	591	155	1,260
Disposals		1	105		106
As at 31 March 2025	**919**	**2,535**	**1,721**	**270**	**5,445**
Accumulated depreciation					
As at 1 April 2023	**481**	**1,111**	**457**	**92**	**2,141**
Charge for the year	147	235	362	6	750
Deduction for the year	2	40	61		103
As at 31 March 2024	**626**	**1,306**	**758**	**98**	**2,788**
Charge for the year	89	304	432	22	847
Deduction for the year		1	90		91
As at 31 March 2025	**715**	**1,609**	**1,100**	**120**	**3,544**
Net Carrying Amount					
As at 31 March 2024	**183**	**826**	**477**	**17**	**1,503**
As at 31 March 2025	**204**	**926**	**621**	**150**	**1,901**

11 Right of use Asset

Particulars	Premises	Cars	Total
Gross Carrying Amount (at cost)			
As at 1 April 2023	**1,332**	**-**	**1,332**
Additions	636	87	723
Deletions			-
As at 31 March 2024	**1,968**	**87**	**2,055**
Additions	105	-	105
Deletions			-
As at 31 March 2025	**2,073**	**87**	**2,160**
Accumulated Amortisation			
As at 1 April 2023	**497**	**-**	**497**
Charge for the year	207	13	220
Deduction for the year			-
As at 31 March 2024	**704**	**13**	**717**
Charge for the year	331	24	355
Deduction for the year	-	-	-
As at 31 March 2025	**1,035**	**37**	**1,072**
Net Carrying Amount			
As at 31 March 2024	**1,264**	**74**	**1,338**
As at 31 March 2025	**1,038**	**50**	**1,088**

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(All amounts in ₹ Lakhs unless otherwise stated)

12 Intangible assets

Particulars	Computer Software	Trade Mark	Total
Gross Carraying Amount (at cost)			
As at 1 April 2023	**560**	**-**	**560**
Additions	71	100	171
Disposals	-	-	-
As at 31 March 2024	**631**	**100**	**731**
Additions	340	-	340
Disposals	-	-	-
As at 31 March 2025	**971**	**100**	**1,071**
Accumulated amortization			
As at 31 March 2023	**440**	**0**	**440**
Charge for the year	48	12	60
Deduction for the year			-
As at 31 March 2024	**488**	**12**	**500**
Charge for the year	80	33	113
Deduction for the year			-
As at 31 March 2025	**568**	**45**	**613**
Net Carrying Amount			
As at 31 March 2024	**143**	**88**	**231**
As at 31 March 2025	**403**	**55**	**458**

13 Intangible assets under development

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	-	-
Additions (net)	1,473	
Deletions	-	-
Closing Balance	**1,473**	**-**

Intangible assets under development aging schedule as at 31 March 2025.

Intangible assets under development	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,473	-	-	-	**1,473**
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development aging schedule as at 31 March 2024.

Intangible assets under development	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

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(All amounts in ₹ Lakhs unless otherwise stated)

14 Other non-financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
Prepaid expenses	417	259
Other advances	819	731
	1,236	**990**

15 Payables

Particulars	As at 31 March 2025	As at 31 March 2024
I) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	319	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,131	1,091
II) Other payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	675	544
	2,125	**1,635**

Trade payables ageing schedule for the year ended as on 31 March 2025

Particulars	Outstanding for following periods from due date of payment *						
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	121	195	4	-	-	-	**319**
(ii) Others	39	978	114	-	-	-	**1,131**
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues – Others	-	-	-	-	-	-	-

* Where no due date of payment is specified in that case disclosure is given from the date of the invoice.

Trade payables ageing schedule for the year ended as on 31 March 2024

Particulars	Outstanding for following periods from due date of payment						
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	1,091	-	-	-	-	-	**1,091**
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues – Others	-	-	-	-	-	-	-

There are no balances not due or unbilled for year ended 31 March 2024.

Refer note 42 for micro, small and medium enterprises disclosure.

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(All amounts in ₹ Lakhs unless otherwise stated)

16 Debt Securities

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Redeemable non-convertible debentures		
Secured	-	1,254
Unsecured	-	3,746
Total (A)	**-**	**5,000**
Debt securities in India	-	5,000
Debt securities outside India	-	-
Total (B)	**-**	**5,000**

17 Borrowings (Other than Debt securities)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Term loans		
Secured*		
(i) from banks	4,04,230	5,45,600
(ii) from others	31,560	76,978
Total (A)	**4,35,790**	**6,22,578**
Borrowings in India	4,19,605	6,05,274
Borrowings outside India	16,185	17,304
Total (B)	**4,35,790**	**6,22,578**

* Secured against the book debt of the company

18 Subordinated liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Unsecured		
Debentures	41,010	40,786
Total (A)	**41,010**	**40,786**
Subordinated liabilities in India	41,010	40,786
Subordinated liabilities outside India	-	-
Total (B)	**41,010**	**40,786**

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SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

(All amounts in ₹ Lakhs unless otherwise stated)

Borrowings (Other than Debt securities and subordinated liabilities) as at 31 March 2025

Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
Secured												
Term loans from bank	Monthly	Upto 2 Year	7.50% to 8.99%	130	49,361	40	10,663	-	-	-	-	60,024
			9.00% to 9.50%	173	45,289	58	17,625	-	-	-	-	62,914
			9.51% to 10.00%	16	4,542	1	333	-	-	-	-	4,875
			10.01% to 10.50%	54	15,310	-	-	-	-	-	-	15,310
		2 year to 3 Year	7.50% to 8.99%	33	3,354	36	4,000	6	667	-	-	8,021
			9.00% to 9.50%	154	65,032	49	40,198	11	7,900	-	-	1,13,130
			9.51% to 10.00%	39	8,829	5	1,808	-	-	-	-	10,637
			10.01% to 10.50%	27	11,723	6	6,600	-	-	-	-	18,323
	Quarterly	Upto 2 Year	9.00% to 9.50%	8	5,000	1	625	-	-	-	-	5,625
			10.01% to 10.50%	3	2,813	-	-	-	-	-	-	2,813
		2 year to 3 Year	9.00% to 9.50%	23	21,265	13	18,765	4	1336	-	-	41,366
			9.51% to 10.00%	9	11,500	4	5,996	-	-	-	-	17,496
			10.01% to 10.50%	11	9,947	-	-	-	-	-	-	9,947
			10.51% to 11.00%	2	208	-	-	-	-	-	-	208
			11.01% to 11.50%	3	1,661	-	-	-	-	-	-	1,661
		3 and above	9.00% to 9.50%	4	357	4	357	-	-	-	-	714
	Half-Yearly	Upto 2 Year	9.00% to 9.50%	8	6,256	5	5000	-	-	-	-	11,256
Term loan from non-banking financial companies	Monthly	Upto 2 Year	9.51% to 10.00%	4	1,006	-	-	-	-	-	-	1,006
	Quarterly	Upto 2 Year	10.01% to 10.50%	8	3,828	-	-	-	-	-	-	3,828
		3 and above	10.01% to 10.50%	5	1,885	1	469	-	-	-	-	2,354
Term loan from DFI	Monthly	2 year to 3 Year	7.50% to 8.99%	11	6,088	-	-	-	-	-	-	6,088
			9.51% to 10.00%	26	5,245	12	2,700	-	-	-	-	7,945
			10.01% to 10.50%	20	6,036	-	-	-	-	-	-	6,036
			10.51% to 11.00%	11	6,706	-	-	-	-	-	-	6,706
	Quarterly	3 and above	9.51% to 10.00%	5	1,219	3	900	-	-	-	-	2,119
External commercial borrowings	Half-Yearly	3 and above	12.01% to 12.50%	3	4,013	2	3,521	2	3,521	-	-	11,055
	Bullet	2 year to 3 Year	10.01% to 10.50%	2	2,639	-	-	-	-	-	-	2,639
			10.51% to 11.00%	2	2,609	-	-	-	-	-	-	2,609
Sub-total												**4,36,705**
Adjustments of unamortised processing fee based on EIR												(915)
Total												**4,35,790**

(All amounts in ₹ Lakhs unless otherwise stated)

Borrowings (Other than Debt securities and subordinated liabilities) as at 31 March 2024

Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
Term loans from bank	Monthly	Upto 2 Year	9.00% to 9.50%	162	57,981	112	43,588	-	-	-	-	1,01,569
			9.51% to 10.00%	101	32,623	30	10,148	-	-	-	-	42,771
			10.01% to 10.50%	65	17,196	11	3,125	-	-	-	-	20,321
			10.51% to 11.00%	7	729	-	-	-	-	-	-	729
			11.01% to 11.50%	12	2,300	-	-	-	-	-	-	2,300
		2 year to 3 Year	9.00% to 9.50%	113	29,134	84	22,658	16	5,721	-	-	57,513
			9.51% to 10.00%	156	28,105	58	13,672	5	1,808	-	-	43,585
			10.01% to 10.50%	42	8,767	3	625	-	-	-	-	9,392
			10.51% to 11.00%	12	16,799	-	-	-	-	-	-	16,799
			11.01% to 11.50%	13	5,002	-	-	-	-	-	-	5,002
		3 year to 5 Year	9.51% to 10.00%	33	9,587	21	10,949	7	6,933	-	-	27,469
			10.01% to 10.50%	23	664	1	51	-	-	-	-	715
	Quarterly	Upto 2 Year	9.00% to 9.50%	4	2,500	4	2,500	-	-	-	-	5,000
			9.51% to 10.00%	4	3,750	3	2,813	-	-	-	-	6,563
			10.01% to 10.50%	5	9,003	-	-	-	-	-	-	9,003
			10.51% to 11.00%	6	2,625	-	-	-	-	-	-	2,625
			11.01% to 11.50%	3	1,125	-	-	-	-	-	-	1,125
		2 year to 3 Year	9.00% to 9.50%	5	13,909	8	20,545	8	20,545	-	-	54,999
			9.51% to 10.00%	22	21,314	13	15,667	-	-	-	-	36,981
			10.01% to 10.50%	20	12,176	2	2,222	-	-	-	-	14,398
			10.51% to 11.00%	33	32,885	1	208	-	-	-	-	33,093
		3 year to 5 Year	10.01% to 10.50%	6	3,753	2	1,660	-	-	-	-	5,413
			10.51% to 11.00%	5	2,501	-	-	-	-	-	-	2,501

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(All amounts in ₹ Lakhs unless otherwise stated)

Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
		More than 5 Year	9.00% to 9.50%	4	357	4	357	4	357	-	-	1,071
Term loan from non-banking financial companies	Monthly	Upto 2 Year	9.51% to 10.00%	13	4,031	3	1,000	-	-	-	-	5,031
			10.01% to 10.50%	19	4,719	-	-	-	-	-	-	4,719
			10.51% to 11.00%	11	2,200	-	-	-	-	-	-	2,200
		2 year to 3 Year	9.51% to 10.00%	2	231	-	-	-	-	-	-	231
			10.01% to 10.50%	4	261	-	-	-	-	-	-	261
	Quarterly	Upto 2 Year	9.51% to 10.00%	15	6,285	4	2,875	-	-	-	-	9,160
		2 year to 3 Year	9.51% to 10.00%	5	3,768	1	938	-	-	-	-	4,706
		3 year to 5 Year	10.01% to 10.50%	5	1,892	4	1,875	1	469	-	-	4,236
Term loan from DFI	Monthly	2 year to 3 Year	9.51% to 10.00%	25	5,005	24	5,200	12	2,700	-	-	12,905
			10.01% to 10.50%	39	16,168	28	12,667	-	-	-	-	28,835
			5.00% to 8.99%	26	12,800	10	6,062	-	-	-	-	18,862
			11.51% to 12.00%	12	4,430	-	-	-	-	-	-	4,430
	Quarterly	2 year to 3 Year	10.01% to 10.50%	10	3,652	2	1,222	-	-	-	-	4,874
		More than 5 Year	9.51% to 10.00%	4	3,450	4	1,200	3	900	-	-	5,550
External commercial borrowings	Half-Yearly	3 year to 5 Year	12.01% to 12.50%	2	1,926	2	3,521	2	3,521	2	3,521	12,489
	Bullet	2 year to 3 Year	10.01% to 10.50%	1	76	1	2,447	-	-	-	-	2,522
			10.51% to 11.00%	1	44	1	2448	-	-	-	-	2,492
Sub-total												**6,24,440**
Adjustments of unamortised processing fee based on EIR												(1,862)
Total												**6,22,578**

(All amounts in ₹ Lakhs unless otherwise stated)

Debt Securities

Particulars	Terms of Debentures	Tenor	Date of redemption	Number of Debentures		Amount of Debentures	
				As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Secured - Redeemable at par							
10.95% rated, listed, senior, secured, redeemable, taxable, transferable Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	Principal payment frequency : Quarterly Coupon payment frequency : Monthly	36 Months	29-Sep-24	-	700	-	1,273
9.50% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.5000000 each.Redeemable at par.	Principal payment frequency : Quarterly Coupon payment frequency : Quarterly	24 Months	20-Dec-24	-	2,000	-	3,760
Sub-total						-	5,033
Adjustments of unamortised processing fee based on EIR						-	(33)
Total						-	5,000

Subordinated liabilities

Particulars	Terms of Debentures	Tenor	Date of redemption	Number of Debentures		Amount of Debentures	
				As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Unsecured - Redeemable at par							
13.75% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.10 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Quarterly	72 Months	31-Mar-26	1,50,00,000	1,50,00,000	1,500	1,500
12.90% rated, listed, unsecured, taxable, redeemable, subordinated, transferrable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Yearly	66 Months	30-Sep-26	600	600	6,002	6,002
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Monthly	72 Months	30-Nov-27	1,250	1,250	12,500	12,635
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Monthly	72 Months	05-Jan-28	900	900	9,068	9,068
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Half Yearly	66 Months	23-Jul-27	750	750	7,636	7,500
11.90% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Quarterly	72 Months	15-Jun-28	500	500	5,023	5,023
Sub-total						41,729	41,728
Adjustments of unamortised processing fee based on EIR basis						(719)	(942)
Total						41,010	40,786

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19 Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Employee benefits payable	1,543	752
Payable towards securitised and assigned portfolio	11,012	9,008
Other payables	163	63
	12,718	**9,823**

20 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (refer note 39A)	876	370
Leave encashment (unfunded) (refer note 39C)	1,400	1,403
	2,276	**1,773**

21 Other non-financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues	838	657
	838	**657**

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22 (a) Share Capital

(i) Details of authorised, issued, subscribed and paid up share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Numbers of shares	Amount	Numbers of shares	Amount
Authorized:				
Equity shares of Rs. 10 each	4,75,50,00,000	4,75,500	4,75,50,00,000	4,75,500
Preference shares of Rs. 100 each	53,00,00,000	5,30,000	53,00,00,000	5,30,000
		10,05,500		**10,05,500**
Issued, subscribed and paid-up:				
Equity shares of Rs. 10 each fully paid up	62,68,86,580	62,689	25,20,46,875	25,205
5% Compulsorily Convertible Non-Cumulative Preference Shares Rs. 100 each fully paid up	-	-	17,55,00,000	1,75,500
		62,689		**2,00,705**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. 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.

Details of shareholders holding more than 5% equity shares in the Company on reporting date:

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
Ms. Ananyashree Birla	20,78,46,874	33.16%	20,78,46,874	82.46%
Svatantra Holdings Private Limited	13,46,11,109	21.47%	4,00,00,000	15.87%
Violicina Limited	19,89,18,745	31.73%	-	-
Multiples Private Equity Fund III	4,29,65,974	6.85%	-	-
Total	**58,43,42,702**	**93.21%**	**24,78,46,874**	**98.33%**

Shares held by promoters at the end of the year:

	As at 31 March 2025		
Name of the promoters	**Numbers of shares**	**Percentage of shareholding**	**% Change during the year**
Ms. Ananyashree Birla	20,78,46,874	33.16%	-49.30%
Total	**20,78,46,874**	**33.16%**	**-49.30%**

	As at 31 March 2024		
Name of the promoters	**Numbers of shares**	**Percentage of shareholding**	**% Change during the year**
Ms. Ananyashree Birla	20,78,46,874	82.46%	0.00%
Total	**20,78,46,874**	**82.46%**	**0.00%**

The reconciliation of the number of equity shares outstanding:

Particulars	As at 31 March 2025	As at 31 March 2024
Shares at the beginning of the year	25,20,46,875	25,20,46,875
Add :Shares issued during the year	37,48,39,705	-
Shares at the end of the year	**62,68,86,580**	**25,20,46,875**

(iii) Instruments entirely equity in nature

Particulars	As at 31 March 2025	As at 31 March 2024
Svatantra Holdings Private Limited	-	65,500
IGH Holdings Private Limited	-	1,10,000
5% Compulsorily Convertible Non-Cumulative Preference Shares	-	**1,75,500**

Right, preferences and restrictions attached to 5% Compulsorily Convertible Non-Cumulative Preference Shares

The Board of Directors in their meeting held on 31 October 2024 had allotted 12,13,39,707 equity shares of face value INR 10/- (Indian Rupees Ten only) each at a premium of INR 58.40/- per equity share by way of preferential issue on private placement basis at an aggregate consideration of INR 83,000 Lakhs and also allotted 14,07,13,584 equity shares on conversion of 9,74,17,098 5% Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) of INR 100/- at a conversion ratio of 13:9 (9 CCPS of INR 100 each fully paid-up convertible into 13 Equity Shares of INR 10 each fully paid up).

Futher the Board of Directors in the meeting held on 9 January 2025 allotted 11,27,86,414 equity shares on conversion of 7,38,04,387 5% Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) of INR 100/- at a conversion ratio of 13:9 (9 CCPS of INR 100 each fully paid-up convertible into 13 Equity Shares of INR 10 each fully paid up)

The Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) shall carry a fixed rate of dividend of 5% (Five Percent) per annum on the capital paid up thereon calculated on a proportionate basis from the date of allotment and shall be non-cumulative. The CCPS shall be compulsorily convertible into equity shares of the Company anytime at the option of the CCPS holder. If the CCPS holder does not exercise the option to convert the CCPS into equity shares before the expiry of 10 (Ten) years from the date of allotment of CCPS, then CCPS shall be convertible into equity shares of the Company on the expiry of 10 (Ten) years from the date of allotment of CCPS. The conversion ratio is 9 CCPS of Rs. 100 each fully paid-up convertible into 13 Equity Shares of Rs. 10 each fully paid up . The Equity Shares to be allotted on conversion of the CCPS shall rank pari passu in all respects with the existing Equity Shares of the Company and shall be subject to Memorandum and Articles of Association of the Company.

(iv) Shares issued for consideration other than cash

The Company has not issued / allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2025.

(v) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company (refer note 43)

(b) Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium	2,21,020	4
Statutory reserve in terms of section 45 - IC of the RBI Act	12,997	9,699
Impairment reserve	235	235
Retained earnings	37,416	35,312
Employee stock option plan reserve	339	240
Capital reserve	442	442
Other comprehensive Income		(40)
Remeasurement of gain/(loss) on defined benefit plans	(131)	-
Effective portion of cash flow hedge	(42)	-
	2,72,276	**45,892**

22.1

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium		
Opening balance	4	4
Add: Current year transfer	2,21,016	-
Closing balance	**2,21,020**	**4**
Statutory reserve In terms of Section 45 - IC of the RBI Act		
Opening balance	9,699	5,179
Add: Current year transfer	3,298	4,520
Closing balance	**12,997**	**9,699**
Impairment reserve		
Opening balance	235	235
Add: Current year transfer	-	-
Closing balance	**235**	**235**
Retained earnings		
Opening balance	35,312	18,196
Add: Transferred from statement of profit and loss	16,490	21,636
Less: Dividend on CCPS	(11,088)	-
Less: Transfer to statutory reserves	(3,298)	(4,520)
Closing balance	**37,416**	**35,312**
Employee stock option plan reserve		
Opening balance	240	187
Add: Compensation for options granted	99	53
Closing balance	**339**	**240**
Capital reserve		
Opening balance	442	442
Add: Current year transfer	-	-
Closing balance	**442**	**442**

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Other comprehensive income		
Remeasurement of gain/(loss) on defined benefit plans		
Opening balance	(40)	19
Add: Current year transfer	(91)	(59)
Closing balance	**(131)**	**(40)**
Effective portion of cash flow hedge		
Opening balance	-	-
Add: Current year transfer	(42)	-
Closing balance	**(42)**	-
	2,72,276	**45,892**

22.2 Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.

22.3 Statutory reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 ("the RBI Act"). In terms of Section 45 - IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purpose specified by the RBI.

22.4 Impairment Reserves as per RBI notification

As per DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserves'. The balance in the 'Impairment Reserves' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserves without prior permission from the Department of Supervision, RBI.

22.5 Retained earnings

Retained earnings pertain to the accumulated earnings / losses made by the Company over the years.

22.6 Employee stock option plan reserve

The Company has an employee stock option scheme under which the option to subscribe for the companies share have been granted to the key employees and directors. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to the key employees as part of their remuneration. Refer to note 43 for further details of the scheme.

22.7 Capital reserve

Capital reserve represents gain on derecognition of compulsorily convertible non-cumulative preference shares on first time adoption of Ind AS.

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(All amounts in ₹ Lakhs unless otherwise stated)

23 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 on loans	1,42,618	1,56,253
Interest on deposits with banks	1,694	2,197
Interest on employee loans	15	19
On financial assets measured at fair value through profit or loss (FVTPL)		
Interest income on investments and reverse repo	268	-
Total	**1,44,595**	**1,58,469**

24 Fees and commission income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from commission	642	1,147
Total	**642**	**1,147**

Revenue from contracts with customers

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Type of services		
Commission and Fee Income	642	1,147
Geographical markets		
India	642	1,147
Outside India	-	-
Timing of revenue recognition		
Services transferred at a point in time	642	1,147
Services transferred over time	-	-

25 Net gain on fair value changes

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net gain on financial instruments at fair value through profit or loss		
i) On trading investment portfolio		
- Investments in mutual funds	2,093	1,677
'- Investments in goverment Securities	34	-
ii) Others		
	2,127	**1,677**
Total net gain on fair value changes		
Fair Value changes:		
-Realised	2,127	1,677
-Unrealised	-	-
Total	**2,127**	**1,677**

26 Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Recovery against loans written off	2,778	542
Miscellaneous income	1,346	2,202
Total	**4,124**	**2,744**

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(All amounts in ₹ Lakhs unless otherwise stated)

27 Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial liabilities measured at amortised costs		
Interest		
On borrowings (other than debt securities)	51,094	59,534
On debt securities	220	1,270
On subordinated liabilities	5,243	5,814
On lease liabilities	138	96
Other borrowing costs	796	664
Total	**57,491**	**67,378**

28 Impairment on financial instruments and written-off

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial assets measured at amortised cost		
Loans		
Impairment on loan portfolio	(9,061)	5,926
Loan portfolio written-off	38,015	30,797
Others		
Other balance written-off	235	197
Impairment on other asset	649	79
Total	**29,838**	**36,999**

29 Employee benefit expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and Wages	30,557	23,725
Contribution to provident and other funds	2,624	1,895
Gratuity expense	385	292
Expenses on employee stock option plan	99	53
Staff welfare expenses	2,609	2,037
Total	**36,274**	**28,002**

30 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of plant, property and equipment	847	750
Depreciation of right of use assets	355	220
Amortisation of intangible asset	113	60
Total	**1,315**	**1,030**

31 Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Advertisement expenses	53	3
Rates and taxes	42	583
Rent	1,805	1,413
Communication expenses	600	455
Director's fees, allowances and expenses	18	7
Travelling and conveyance expenses	5,181	3,508
Training expenses	725	316
Recruitment expenses	25	7
Insurance expenses	53	23
Printing and stationery	352	370
Legal and professional fees	2,889	1,483
Website development expenses	35	16
Electricity and water expenses	461	317
Membership and subscription	85	89
Repairs and maintenance	135	77
Software Service and Maintenance	2,390	1,696
Shared services costs	43	-
Other Administrative Expenses	311	252
Cash management charges (CMS)	1,523	2,147
Commission and brokerage	189	582
Expenses on Corporate social responsibility	347	181
Bank charges	9	9
Auditors' remuneration		
- Audit fees	95	40
- Tax audit fees	-	4
- For other services	34	8
- Out of pocket expenses	6	-
Other expenditure	625	214
Total	**18,031**	**13,800**

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32 Contingent liabilities and capital commitments

(A) Contingent liabilities

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Notice under Section 154 of the Income Tax Act for Assessment Year 2020–21	15	-
Total	**15**	**-**

Tax Matter - Direct Tax: The company has received the notice under Section 154 of the Income Tax Act for Assessment Year 2020–21, citing a discrepancy related to the non-disallowance of the provision for standard assets amounting to Rs. 46 lakhs. According to the notice, this has resulted in a contingent tax liability of Rs.15 lakhs. there are no other litigation outstanding as at 31 March 2025.

(B) Commitments not provided for

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	47	7
Total	**47**	**7**

33 Tax expense

Particulars	**For the year ended 31 March 2025**	**For the year ended 31 March 2024**
Current tax expense		
Current tax for the year	3,713	8,834
Earlier year tax	(90)	209
Total	**3,622**	**9,043**
Deferred taxes liabilities / (assets)		
Relating to origination and reversal of temporary differences	1,477	(2,079)
Net deferred tax expense	**1,477**	**(2,079)**
Total income tax expense	**5,100**	**6,964**

33.1 Tax reconciliation

Particulars	**For the year ended 31 March 2025**	**For the year ended 31 March 2024**
Profit before income tax expense	21,590	28,600
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	5,434	7,198
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on expenses which is non deductible	87	172
Tax impact on deduction under section 80JJAA	(349)	(182)
Others	(73)	(224)
Income tax expense	**5,100**	**6,964**
Effective tax rate	**23.62%**	**24.35%**

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(All amounts in ₹ Lakhs unless otherwise stated)

33.2 Deferred tax movement related to the following:

1 April 2024 to 31 March 2025

Particulars	Balance as at 1 April 2024	(Charge)/ Credit in Profit & Loss	Recognised in OCI	Recognised in Other Equity	Balance as at 31 March 2025
Deferred tax asset on account of:					
Impairment of financials instruments	12,354	(1,761)	-	-	10,593
Expenses allowable on payment basis	509	149	-	-	658
Temporary differences of written down value of intangible assets and property, plant and equipment	228	31	-	-	259
Transaction costs on loans	1,659	(98)	-	-	1,561
Lease liabilities	343	86	-	-	429
Others	-	14	-	-	14
	15,093	**(1,578)**	**-**	**-**	**13,514**
Deferred tax liability on account of:					
Transaction cost on borrowings and debt securities	714	(302)	-	-	412
Measurement gain on direct assignment	1,843	137	-	-	1,980
Right to use of assets	322	69	-		391
	2,879	**(96)**	**-**	**-**	**2,783**
	12,214	**(1,482)**	**-**	**-**	**10,731**

1 April 2023 to 31 March 2024

Particulars	Balance as at 1 April 2023	(Charge)/ Credit in Profit & Loss	Recognised in OCI	Recognised in Other Equity	Balance as at 31 March 2024
Deferred tax asset on account of:					
Impairment of financials instruments	10,416	1,938	-	-	12,354
Expenses allowable on payment basis	295	214	-	-	509
Temporary differences of written down value of intangible assets and property, plant and equipment	177	51	-	-	228
Transaction costs on loans	1,592	67	-	-	1,659
Lease liabilities	238	105	-	-	343
	12,718	**2,375**	**-**	**-**	**15,093**
Deferred tax liability on account of:					
Transaction cost on borrowings and debt securities	902	(188)	-	-	714
Measurement gain on direct assignment	1,464	379	-	-	1,843
Modification (restructuring) gain on financial assets	12	(12)	-	-	-
Right to use of assets	205	117			322
	2,583	**296**	**-**	**-**	**2,879**
	10,135	**2,079**	-	**-**	**12,214**

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34 Earnings per share

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net profit attributable to equity shareholders	16,490	21,636
Weighted average number of equity shares outstanding for the purpose of basic earning per share	55,57,44,946	40,56,98,666
Effects of potential equity shares on Employee Stock Options outstanding	24,75,697	25,71,990
Weighted average number of equity shares in computing diluted earnings per share	55,82,20,643	40,82,70,656
Earnings per share		
Basic earning per share (₹)	2.97	5.57
Diluted earning per share (₹)	2.96	5.55
Nominal value per share (₹)	10	10

Weighted average number of equity shares outstanding includes non cumulative compulsorily convertible preference shares.

35 Related party disclosures

Related party disclosures as required under Indian Accounting standard 24, " Related party disclosure" are given below.

35.1 List of related parties

Nature of relationship	Name of related party
Wholly Owned Subsidiary	Chaitanya India Fin Credit Private Limited (w.e.f. 23 November 2023)
Key Managerial Personnel (KMP)	Kumar Mangalam Birla (Director) Neerja Birla (Director) Ananyashree Birla (Director) Shankar Girija Natarajan (Independent Director) Meena Jagtiani (Independent Director) Vineet Bijendra Chattree (Managing Director) Renuka Ramnath (Director) (appointed w.e.f. 31 October 2024) Shweta Jalan (Director) (appointed w.e.f. 31 October 2024) Gagan Lalit Mohan Joshi (Director) (appointed w.e.f. 31 October 2024) Vrushali Mahajan (Chief Financial Officer) Surinder Kumar Bhatia (Company Secretary) Anujeet Varadkar (Chief Executive Officer) (resigned w.e.f. 23 May 2024)
Entities with singnificant influence over the company	Svatantra Holdings Private Limited Violicina Limited (w.e.f. 31 October 2024) IGH Holdings Private Limited (upto 30 October 2024)
Parties on which KMP's of the Company are able to exercise control	Svatantra Microfin Employee Gratuity Fund Svatantra Online Services Private Limited Svatantra Micro Housing Finance Corporation Limited Aditya Birla Education Trust Ananya Birla Foundation

35.2 Transactions during the year with related parties :

Nature of transactions	Transactions with	For the year ended 31 March 2025	For the year ended 31 March 2024
Investment in Equity share capital	Chaitanya India Fin Credit Private Limited	17,692	-
Issue of compulsorily convertible preference shares	IGH Holdings Private Limited	-	1,10,000
CSR expenses	Ananya Birla Foundation	187	40
Service Fee Income (referral income)	Svatantra Micro Housing Finance Corporation Limited	7	-
Resource Sharing Income *	Chaitanya India Fin Credit Private Limited	27	-
Other Expenses	Svatantra Online Services Private Limited	-	4
Reimbursement of Shared Services Costs *	Chaitanya India Fin Credit Private Limited	48	-
Software Services and Maintenance *	Chaitanya India Fin Credit Private Limited	22	-
Director's Sitting Fees	Shankar Girija Natarajan	9	4
	Meena Jagtiani	9	3
Key Managerial Personnel (KMP) Compensation:			
(a) short-term employee benefits		228	265
(b) post-employment benefits		-	-
(c) other long-term benefits		-	-
(d) termination benefits		-	-
(e) share-based payment		-	-

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Terms and conditions:

1. All transactions with these related parties are priced on an arm's length basis and at normal commercial terms
2. During the year, the Company has invested in Chaitanya India Fin Credit Private Limited. refer note 7 for further details.
3. During the previous year, the Company had issued Compulsorily Convertible Preference Shares (CCPS) to IGH Holdings Private Limited. These CCPS were converted into equity shares during the current year. Refer Note 22(iii) for further details.
4. CSR expenses incurred towards ongoing project entered into with Ananya Birla Foundation refer note 45 (g) for further details.

* 5. Each party has cross-charged the other for support Services at mutually agreed rates to leverage each other's capabilities and achieve cost savings, operational efficiency, and business optimization.

6.The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Svatantra Microfin Employee Gratuity Fund).

7.Employee benefits in relation to gratuity are calculated at the Company level and hence not considered in above disclosure.

35.3 Closing balances :

Transactions with	As at 31 March 2025	As at 31 March 2024
Chaitanya India Fin Credit Private Limited	24	-
Svatantra Holdings Private Limited	-	65,500
IGH Holdings Private Limited (Compulsorily Convertible Non-Cumulative Preference Shares)	-	1,10,000

36 Capital management risk

The Company's objective for capital management is to maximize shareholders' value, safeguard business continuity, meet the regulatory requirement and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flows generated.

As an NBFC-MFI, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

The Company has a board approved policy on resource planning which states that the resource planning of the Company shall be based on its Asset Liability Management (ALM) requirement. The policy of the Company on resource planning will also cover the objectives of the regulatory requirement. The policy prescribes the sources of funds, threshold for mix from various sources, tenure, manner of raising the funds etc.

Regulatory capital

Particulars	As at 31 March 2025	As at 31 March 2024
Tier I Capital	1,72,060	95,378
Tier II Capital	23,863	32,117
Tier I + Tier II Capital	**1,95,923**	**1,27,495**
Risk weighted assets	6,61,747	6,87,821
Tier I CRAR	26.00%	13.87%
Tier II CRAR	3.61%	4.67%
Total CRAR	**29.61%**	**18.54%**

The Company has complied in full with all its externally imposed capital requirements over the reported period.

Loan covenants

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breach in meeting these financial covenants would permit the bank to immediately call loans and borrowings. The Company has complied with the covenants under the term of the borrowing facilities through out the reporting period.

37 Fair value measurement

37.1 Financial instruments by category

Particulars	Category	As at 31 March 2025	As at 31 March 2024
Financial assets:			
Cash and cash equivalents			
- Cash and bank balances	Amortized cost	25,220	99,697
- Investment in reverse repo	FVTPL	6,504	-
Bank balances other than cash and cash equivalents	Amortized cost	11,652	8,832
Derivative financial instruments	FVOCI	540	-
Trade receivables	Amortized cost	140	112
Other receivables	Amortized cost	174	451
Loans	Amortized cost	5,82,701	6,40,279
Investments			
- In subsidiary	Cost	1,73,290	1,55,598
- In treasury bill	FVTPL	500	-
Other financial assets	Amortized cost	10,356	8,347
Total financial assets		**8,11,077**	**9,13,316**
Financial liabilities:			
Trade and other payables	Amortized cost	2,125	1,635
Debt securities	Amortized cost	-	5,000
Borrowings (other than debt securities)	Amortized cost	4,35,790	6,22,578
Subordinated liabilities	Amortized cost	41,010	40,786
Lease liabilities	Amortized cost	1,198	1,363
Other financial liabilities (excluding lease liabilities)	Amortized cost	12,718	9,823
Total financial liabilities		**4,92,841**	**6,81,185**

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37.2 Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:
Level 1: Quoted prices (unadjusted) for identical instruments in an active market;
Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs).

Financial assets and liabilities measured at fair value - recurring fair value measurements

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at 31 March 2025	Level-1	Level-2	Level-3	Total
Financial assets measured at fair value				
Investments in Treasury bills	-	-	500	**500**
Investments in Reverse repo	-	-	6,504	**6,504**
Derivative financial instruments	-	540	-	**540**

The financial instruments measured at FVTPL were NIL as at 31 March 2024

37.3 Financial assets and liabilities measured at amortized cost at each reporting date

The carrying value of cash and cash equivalents (except for reverse repo), other bank balances, trade receivable and other receivable, other financial assets, trade payables and other payables and other financial liabilities are considered to be approximately equal to the fair value due to their short term maturities.

Particulars	Level	As at 31 March 2025		As at 31 March 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets measured at amortized cost					
Cash and cash equivalents	1	25,220	25,220	99,697	99,697
Bank balances other than cash and cash equivalents	1	11,652	11,652	8,832	8,832
Trade receivables	3	140	140	112	112
Other receivables	3	174	174	451	451
Loans	3	5,82,701	5,82,701	6,40,279	6,40,279
Other financial assets	3	10,356	10,356	8,347	8,347
Total financial assets		**6,30,243**	**6,30,243**	**7,57,718**	**7,57,718**
Financial liabilities measured at amortized cost					
Trade payables	3	2,125	2,125	1,635	1,635
Debt securities	3	-	-	5,000	5,006
Borrowings (other than debt securities)	3	4,35,790	4,35,176	6,22,578	6,22,596
Subordinated liabilities	3	41,010	40,896	40,786	40,646
Lease liabilities	3	1,198	1,198	1,363	1,363
Other financial liabilities	3	12,718	12,718	9,823	9,823
Total financial liabilities		**4,92,841**	**4,92,114**	**6,81,185**	**6,81,069**

i) Loans - The Company considers that the fair value of loans approximate their carrying amount.

ii) Borrowings - All the borrowing taken are at floating rate except few which are on fixed rate of interest and hence, its fair value are deemed to be equivalent to the carrying value adjusted with un-amortize transaction cost. Fair value of fixed loans are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

iii) Subordinated liabilities and debt securities - The fair value of debt securities are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

iv) Investment in subsidiary - The company has accounted for its investment in subsidiary at fair value at the time of acquisition due to business combination. The investment is subsequently measured at cost.

During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

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37.4 Transfer of financial assets

(i) Assignment Transaction:

The Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of deal and since the derecognition criteria as per Ind AS 109, including transaction of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised.

The management has evaluated the impact of the assignment transactions done during the year for its business model. Based on the future business plan, the Company's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognised assets :-

Particulars	As at 31 March 2025	As at 31 March 2024
Carrying amount of derecognised financial assets	1,17,010	1,09,375
Gain/(loss) for the year	13,051	11,772

Since the Company transferred the above financial asset in a way that qualified for derecognition in its entirety, therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest only strip receivable and correspondingly recognised as profit on derecognition of financial asset.

38 Financial Risk Management

The Company is exposed to certain financial risks namely credit risk, liquidity risk and market risk i.e. interest rate risk, foreign currency risk and price risk. The Company's primary focus is to achieve better predictability of financial markets and minimize potential adverse effects on its financial performance by effectively managing the risks on its financial assets and liabilities.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Risk Management Committee is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities. The Company's risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Company has a Board approved Risk Management framework and has also performed internal capital adequacy assessment process (ICAAP). Robust Risk Management strategy is in place to manage Key risks such as Strategic, Compliance, Credit, Liquidity, Operational Risks and reporting risks.

The Company 's risk management framework is driven by its Board and its sub-committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence and major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Audit committee oversees how management monitors compliances 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. The Audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit committee

A Liquidity risk

The liquidity risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. For the Company, liquidity risk arises from obligations on account of financial liabilities – debt securities, borrowing, trade payables and other financial liabilities. The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The tables below summarizes the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

As at 31 March 2025

Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade and other payables	2,125	-	-	-	2,125
Debt securities	-	-	-	-	-
Borrowings (other than debt securities)	3,03,600	1,32,190	-	-	4,35,790
Subordinated liabilities	1,720	39,290	-	-	41,010
Lease liabilities	1,198	-	-	-	1,198
Other financial liabilities	12,718	-	-	-	12,718
Total	**3,21,361**	**1,71,480**	**-**	**-**	**4,92,841**

As at 31 March 2024

Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade and other payables	1,635	-	-	-	1,635
Debt securities	5,000	-	-	-	5,000
Borrowings (other than debt securities)	3,85,497	2,37,081	-	-	6,22,578
Subordinated liabilities	228	40,558	-	-	40,786
Lease liabilities	1,363	-	-	-	1,363
Other financial liabilities	9,823	-	-	-	9,823
Total	**4,03,546**	**2,77,639**	**-**	**-**	**6,81,185**

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B Market risk

(i) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract.

Particulars	As at 31 March 2025	As at 31 March 2024
	USD	
Liability – External Commercial Borrowings	1,88,57,142	-
Assets – Cross Currency Swap	1,88,57,142	-

Hedging policy

The Company's Hedging Policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationship where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and qualitative assessment of effectiveness is performed.
In respect of Interest rate swaps, there is an economic relationship between the hedged item and the hedging instrument as the terms of the Interest Rate swap contract match that of the foreign currency borrowing (notional amount, interest repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap are identical to the hedged risk components.
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the '(Gain) / Loss in Fair Value of Derivatives' line item.

Impact of hedge on the balance sheet

Particulars	Year	Notional amount	Carrying amount of hedging instrument assets	Carrying amount of hedging instrument Liability
USD (cross currency swap)	March 31, 2025	16,118	540	-
USD (cross currency swap)	March 31, 2024	-	-	-

(ii) Interest rate risk

The Company is subject to interest rate risk, since the rates of borrowing might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. The Company's exposure to changes in interest rates relates to the Company's outstanding floating rate liabilities.

Details of interest bearing financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings, debt securities and subordinated liabilities		
Floating rate	3,88,095	5,16,919
Fixed rate	88,705	1,51,445
Total borrowings	**4,76,800**	**6,68,364**

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in variable interest rates (all other variables being constant) of the Company's Statement of profit and loss:

Interest rate sensitivity*	Impact on profit before tax	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Borrowings		
Increase by 50 basis points	(1,940)	(2,585)
Decrease by 50 basis points	1,940	2,585

** Holding all other variables as constant*

(iii) Price risk

Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

C Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

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Credit risk management

Credit quality of assets

Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk. A centralized risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time.

Expected Credit loss (ECL):
Credit Quality of Loans assets:

The following table sets out information about credit quality of loans measured at amortized cost based on days past due information. The amount represents gross carrying amount.

Particulars	As at 31 March 2025	As at 31 March 2024
Gross carrying value		
Stage 1	5,96,855	6,63,075
Stage 2	8,962	5,351
Stage 3	18,559	22,589
Total Gross carrying value as at reporting date	**6,24,376**	**6,91,015**

Management of credit risk for financial assets

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees security deposits insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company is a rural focused NBFC-MFI with a geographically diversified presence in India and offer income generation loans under the joint liability group model, predominantly to women from low-income households in Rural Areas. Further, as we focus on providing micro-loans in Rural Areas, our results of operations are affected by the performance and the future growth potential of microfinance in rural India. Our clients typically have limited sources of income, savings and credit histories and our loans are typically provided free of collateral. Such clients generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, we rely on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of our loans.

In order to mitigate the impact of credit risk in the future profitability, the Company creates impairment loss allowance basis the expected credit loss (ECL) model for the outstanding loans as at balance sheet date

Inputs considered in the ECL model
Definition of default

A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Non-payment on another obligation of the same customer is also considered as a stage III.

Exposure at default (EAD)

The EAD represents expected outstanding exposure subject to credit risk at the period/date, when default is considered. The Company does cash flow mapping based on contractual maturity for loans in Stage II, using the exposure at default in future years and the probability of default estimation based on macro variables. For stage I and stage III, as an approximation balance sheet outstanding is used.

Loss given default (LGD)

It is defined as the percentage risk of exposure that is not expected to be recovered in the event of default.
Based on an analysis of historical data, the Company has estimated the loss given default, using historical recovery experience and recovery cost. This is referred to as the workout method. Such recoveries are discounted using interest rate of the loans. While calculating LGD percentage, 100% recoveries are estimated for the cases where the recoveries are absolutely certain to happen within a short period of time.

Probability of Default (PD)

"Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 asset's a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. Historical DPD data is utilized to calculate through the cycle PD. PD analysis tracks the migration behaviour of a static pool of loans active at the end of each year across different buckets- Current-30 DPD, 31-90 DPD and 90+ DPD for the 12 month and lifetime period.

Discounting

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate. .

Forward looking information

Forward looking information is incorporated in the measurement of probability of default and consequently in measurement of ECL. Based on the consideration of a variety of external actual and forecast information, the Company forms a 'base case' view of the future direction of GDP growth rate as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.
Further, management overlays are applied in determining forward looking scenarios. It is considered by evaluating all relevant internal and reasonably available external data.

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Significant increase in credit risk

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the loan exposure. However, unless identified at an earlier stage, the Company have determined all assets are deemed to have suffered a significant increase in credit risk when 30 days past due.

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the trade receivable does not have sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Any recoveries made are recognized in Statement of Profit or Loss.

Credit Risk exposure

i) Expected credit losses for financial assets other than loans

As at 31 March 2025	**Estimated gross carrying amount at default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	25,220	-	25,220
Investment in reverse repo	6,504		6,504
Bank balances other than cash and cash equivalents	11,652	-	11,652
Trade receivables	140	-	140
Other receivables	174	-	174
Other financial assets	11,084	728	10,356

ii) Expected credit losses for financial assets other than loans

As at 31 March 2024	**Estimated gross carrying amount at default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	99,697	-	99,697
Bank balances other than cash and cash equivalents	8,832	-	8,832
Trade receivables	112	-	112
Other receivables	451	-	451
Other financial assets	8,426	79	8,347

iii) Expected credit loss for loans
Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Particulars	**Stage 1**	**Stage 2**	**Stage 3**
Gross carrying amount as at March 31 2023	**6,31,475**	**6,478**	**33,592**
Assets originated (net of repayments and collections)	4,90,583	-	-
Net transfer between stages			
Transfer from stage 1	(25,982)	10,553	15,429
Transfer from stage 2	75	(8,996)	8,921
Transfer from stage 3	35	4	(39)
Assets derecognized or collected (excluding write offs)	(4,33,111)	(2,688)	(4,517)
Write-Off	-	-	(30,797)
Gross carrying amount as at March 31 2024	**6,63,075**	**5,351**	**22,589**
Assets originated (net of repayments and collections)	4,44,491	-	-
Net transfer between stages			
Transfer from stage 1	(43,065)	30,806	12,259
Transfer from stage 2	24	(25,697)	25,673
Transfer from stage 3	22	3	(25)
Assets derecognized or collected (excluding write offs)	(4,67,692)	(1,501)	(3,922)
Write-Off	-	-	(38,015)
Gross carrying amount as at March 31 2025	**5,96,855**	**8,962**	**18,559**

(Number of loan accounts with principal and/ or interest overdue (including loans classified as significant increase in credit risk and credit impaired) as at March 31 March 2025 is (50,641 in stage 1), (86,940 in stage 2) and (1,97,208 in stage 3)).

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Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance as on March 31 2023	**19,250**	**4,134**	**21,426**
Net transfer between stages			
Transfer from stage 1	(684)	278	406
Transfer from stage 2	57	(6,747)	6,691
Transfer from stage 3	26	3	(30)
Provision created or derecognized (excluding write offs)	7,905	6,352	22,466
Write-Off	-	-	(30,797)
Loss allowance as on March 31 2024	**26,554**	**4,020**	**20,162**
Net transfer between stages			
Transfer from stage 1	(1,194)	854	340
Transfer from stage 2	15	(16,240)	16,225
Transfer from stage 3	17	2	(19)
Provision created or derecognized (excluding write offs)	(4,566)	17,060	16,460
Write-Off	-	-	(38,015)
Loss allowance amount as at March 31 2025	**20,826**	**5,696**	**15,153**

Concentration of loans

Concentration by type of loan	As at 31 March 2025	As at 31 March 2024
Term loans (JLG and Individual loans)	6,24,273	6,90,881
Employee loans	103	134
Gross carrying Amount	**6,24,376**	**6,91,015**

39 Retirement benefit plans

The Company has the following defined benefits plans:

39A Gratuity (funded)

As per Ind AS-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:

39.1

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial assumptions		
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Discount rate (per annum)	6.50%	7.15%
Rate of salary increase	7.00%	7.00%
Attrition/Withdrawal rate per annum	27.00%	27.00%

39.2

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	1,140	809
Interest expense	81	59
Current service cost	360	279
Past service cost	-	-
Benefit paid	(207)	(80)
Actuarial (gains) / losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	38	4
Actuarial (gains) / losses on obligations - due to experience	82	69
Present value of obligation at the end of the year	**1,494**	**1,140**

39.3

Particulars	As at 31 March 2025	As at 31 March 2024
Assets and liabilities recognized in the balance sheet		
Present value of the defined benefit obligation at the end of the year	1,494	1,140
Fair value of plan assets at the end of the year	618	770
Net liability / (asset) recognized in the balance sheet	**876**	**370**

39.4

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Changes in the fair value of plan assets		
Fair value of plan assets as at the beginning	770	634
Investment income	54	46
Benefit paid	(206)	(80)
Return on plan assets , excluding amount recognised in net interest expense	-	(5)
Employer's Contribution	-	175
Fair value of plan assets as at the year end	**618**	**770**

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39.5

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expenses recognized in the statement of profit and loss		
Current service cost	360	279
Net interest cost	25	13
Net gratuity cost recognized in the current year	**385**	**292**

39.6

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expenses recognized in the statement of other comprehensive income (OCI)		
Actuarial (gains) / losses :		
Change in demographic assumptions	-	-
Change in financial assumptions	38	4
Experience variance	82	69
Return on plan assets, excluding amount recognised in net interest expense	-	6
Total remeasurement cost for the year recognized in OCI	**120**	**79**

39.7

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sensitivity Analysis:		
Delta effect of +1% change in rate of discounting	(1,437)	(1,098)
Delta effect of -1% change in rate of discounting	1,557	1,186
Delta effect of +1% change in rate of salary increase	1,555	1,185
Delta effect of -1% change in rate of salary increase	(1,437)	(1,097)
Delta effect of +50% change in rate of Attrition rate	(1,356)	(1,056)
Delta effect of -50% change in rate of Attrition rate	1,697	1,247

39.8

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Maturity analysis of projected benefit obligation		
1 year	316	259
Sum of years 2 to 5	984	767
Sum of years 6 to 10	505	383
Sum of years 11 and above	200	153

39.9

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Catogary of plan assets		
Funds managed by Trust	100%	100%

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest Rate Risk:
The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:
This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk:
The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk:
The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk:
Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

Asset Liability Mismatching or Market Risk:
The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities / fall in interest rate.

Investment Risk:
The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

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39B Defined contribution plan

The Company contributes towards provident fund for employees which is the defined contribution plan for qualifying employees. Under this Scheme, the Company is required to contribute specified percentage of the payroll cost to fund the benefits. The Company has recognized Rs. 2069 lakhs and Rs. 1500 lakhs towards provident fund contributions in the Statement of Profit and Loss for the year ended 31 March 2025 and 31 March 2024, respectively.

39C Leave Encashment

The principal demographic assumptions used in the valuation are shown in the table below:

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial assumptions		
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	60 years	60 years
Attrition / Withdrawal rate (per annum)	27.00%	27.00%
Rate of Leave Availment (per annum)	0.00%	0.00%
Rate of Leave Encashment during employment (per annum)	0.00%	0.00%

Expenses Recognized in Income Statement

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of obligation as at the beginning	1,403	989
Present value of obligation as at the end	1,400	1,403
Benefit Payment	843	285
Actual return on plan assets	-	-
Transfer In / (Out)	-	-
Expenses Recognized in Income Statement	**840**	**699**

40 Leases

Company as lessee

The company's leased assets primarily consist of leases for head office & branch premises. The term of property leases ranges from 1-5 years.

(i) Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Total
As at 31 March 2023	**835**
Additions	723
Deletions	-
Depreciation expenses for the year	220
As at 31 March 2024	**1,338**
Additions	105
Deletions	-
Depreciation expenses for the year	355
As at 31 March 2025	**1,088**

(ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	Total
As at 31 March 2023	**932**
Additions	723
Accretion of interest	96
Payment	389
As at 31 March 2024	**1,363**
Additions	105
Accretion of interest	137
Payment	407
As at 31 March 2025	**1,198**

The maturity analysis of lease liabilities are disclosed in Note 44.
The effective interest rate for lease liabilities is varying from 10.08% - 10.40%, with maturity between 2019-2027

(iii) The following are the amounts recognized in profit or loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation expense of right-of-use assets	355	220
Interest expense on lease liabilities	137	96
Expense relating to short-term leases (included in other expenses)	1,805	1,413
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (if any, included in other expenses)	-	-

The Company had total cash outflows for leases of Rs 2,213 lakhs in FY 2024-25 (1,802 lakhs in FY 2023-24).

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41 Segment information

41.1 Business segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the whole Company as one segment of "Financing". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

41.2 Entity wide disclosures

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in year ended 31 March 2025 and 31 March 2024

The Company operates in single geography i.e. India and therefore, geographical information is not required to be disclosed separately.

42 Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company :

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Principal amount remaining unpaid (but within due date as per the Micro, Small and Medium Enterprises Development Act, 2006)	319	-
(ii) Interest due thereon remaining unpaid	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(vi) 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 Micro, Small and Medium Enterprise Development Act, 2006	-	-

43 Share based payments

A Employee stock option plan (ESOP)

The company has provided various equity settled share based payment schemes to its employees. On 10 October 2017 and 20 June 2022, the members of the company vide special resolution approved the Employee Stock Option Plan ('ESOP') scheme namely ESOP 2017 and ESOP Scheme 2022 respectively. The details are ESOP scheme as at 31 March 2025 are as follows. :-

Particulars	Grant	Phase	Number of Options granted	Vesting Period (In years)	Vesting Conditions
ESOP Scheme 2017	Grant-I	Phase-I	1,44,625	1 year from grant date	Continuous service
	Grant-I	Phase-II		2 year from grant date	Continuous service
	Grant-I	Phase-III		3 year from grant date	Continuous service
	Grant-II	Phase-I	3,24,481	1 year from grant date	Continuous service
	Grant-II	Phase-II		2 year from grant date	Continuous service
	Grant-II	Phase-III		3 year from grant date	Continuous service
	Grant-III	Phase-I	4,64,382	1 year from grant date	Continuous service
	Grant-III	Phase-II		2 year from grant date	Continuous service
	Grant-III	Phase-III		3 year from grant date	Continuous service
	Grant-IV	Phase-I	7,07,938	1 year from grant date	Continuous service
	Grant-IV	Phase-II		2 year from grant date	Continuous service
	Grant-IV	Phase-III		3 year from grant date	Continuous service
ESOP Scheme 2022	Grant-V	Phase-I	7,07,088	1 year from grant date	Continuous service
	Grant-V	Phase-II		2 year from grant date	Continuous service
	Grant-V	Phase-III		3 year from grant date	Continuous service
	Grant-VI	Phase-I	1,27,183	1 year from grant date	Continuous service
	Grant-VI	Phase-II		2 year from grant date	Continuous service

Exercise period for all the above schemes is occurrence of liquidity event which is as follows :-

a.Listing of equity shares on the recognized stock exchange.

b. Strategic Sale event conferring a right of drag along to the Current Shareholders.

c. Offer of purchase of shares from Option Grantees having Vested Options made by an investor.

d. Cash Settlement or Buy-back event whereby the Company makes an offer for settlement of the Vested Options with the Option Grantee or purchase Shares underlying Vested Options.

e. Any other event, which Board may designate as a liquidity event

The expense recognised for employee services received during the year is Rs.98.80 Lakhs.

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(All amounts in ₹ Lakhs unless otherwise stated)

(i) **The following table lists the input to the Black Scholes models used for the options granted for the year ended 31 March 2025**

Particulars	**Grant-I**	**Grant-II**	**Grant-III**	**Grant-IV**	**Grant-V**	**Grant-VI**
Date of Grant	20-11-2017	01-06-2018	15-07-2019	15-07-2020	01-10-2022	20-02-2024
Date of Board Meeting, where ESOP/ESOS were approved	08-09-2017	08-09-2017	08-09-2017	08-09-2017	26-05-2022	20-02-2024
Date of shareholders' approval	10-10-2017	10-10-2017	10-10-2017	10-10-2017	20-06-2022	20-06-2022
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Graded vesting period						
Exercise period	Occurrence of Liquidity event					
Vesting conditions	Continuous service					
Weighted average of remaining contractual Life in Years	Dependent upon happening of liquidity event* (assumed to be 5 years for calculation purpose)					

Since no options were granted during financial year 2023-2024 the above disclosure remains unchanged for the financial year ended 31 March 2024.

(ii) **The details of activity under ESOP Scheme 2017 Plan and ESOP Scheme 2022 Plan with an exercise price for the year ended 31 March 2025 have been summarised as below:**

Particulars	**ESOP Scheme 2017 Plan**				**ESOP Scheme 2022 Plan**	
	Grant-I	**Grant-II**	**Grant-III**	**Grant-IV**	**Grant-V**	**Grant-VI**
Exercise Price per Share (Rs)	16	16	20	20	23	20
Number of options Outstanding at the beginning of the year	1,44,625	3,24,481	4,64,382	7,07,938	8,03,381	1,27,183
Number of options Granted during the year	-	-	-	-	-	-
Number of Options Exercised during the year	-	-	-	-	-	-
Number of Options Lapsed during the year	-	-	-	-	96,293	-
Number of Options outstanding at the end of the year	1,44,625	3,24,481	4,64,382	7,07,938	7,07,088	1,27,183
Number of options exercisable at the end of the year	NIL					

The details of activity under ESOP Scheme 2017 Plan and ESOP Scheme 2022 Plan with an exercise price for the year ended 31 March 2024 have been summarised as below:

Particulars	**ESOP Scheme 2017 Plan**				**ESOP Scheme 2022 Plan**	
	Grant-I	**Grant-II**	**Grant-III**	**Grant-IV**	**Grant-V**	**Grant-VI**
Exercise Price per Share (Rs)	16	16	20	20	23	20
Number of options Outstanding at the beginning of the year	1,44,625	3,24,481	4,64,382	7,30,393	9,06,009	-
Number of options Granted during the year	-	-	-	-	-	1,27,183
Number of Options Exercised during the year	-	-	-	-	-	-
Number of Options Lapsed during the year	-	-	-	22,455	1,02,628	-
Number of Options outstanding at the end of the year	1,44,625	3,24,481	4,64,382	7,07,938	8,03,381	1,27,183
Number of options exercisable at the end of the year	NIL					

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(All amounts in ₹ Lakhs unless otherwise stated)

(iii) Details of Stock Options granted

The Weighted average exercise price of options granted on 20 November 2017, 1 June 2018, 15 July 2019, 15 July 2020, 01 October 2022 and 20 February 2024 is INR 15.91, INR 15.72, INR 20, INR 20, INR 23 and INR 20 respectively. The Black -Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Share price on the date of Grant (Rs.)	15.91	15.72	19.70	19.80	22.77	93.83
Exercise Price (Rs.)	15.91	15.72	20.00	20.00	23.00	20.00
Expected Volatility(%)	0.01%	50.00%	50.00%	50.00%	60.00%	50.00%
Life of the options granted in year	For grants vesting in year 1: 3.5 years For grants vesting in year 2: 4.51 years For grants vesting in year 3: 5.51 years	5 year	5 year	5 year	5 year	5 year
Risk Free Interest Rate(%)	For grants vesting in year 1: 6.62% For grants vesting in year 2: 6.77% For grants vesting in year 3: 6.90%	7.99%p.a.	6.51% p.a	4.94% p.a	7.45% p.a	7.18% p.a
Expected dividend rate(%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fair Value of the option (Rs.)	4.06	8.47	10.11	9.75	13.37	80.52

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(All amounts in ₹ Lakhs unless otherwise stated)

44 Maturity analysis of assets and liabilities

Assets	As at 31 March 2025			As at 31 March 2024		
	Within 1 year	After 1 year	Total	Within 1 year	After 1 year	Total
Financial assets						
Cash and cash equivalents	31,724	-	31,724	99,697	-	99,697
Bank balances other than cash and cash equivalents	10,497	1,155	11,652	865	7,967	8,832
Derivative financial instruments	186	354	540	-	-	-
Trade receivables	140	-	140	112		112
Other receivables	174	-	174	451		451
Loans	3,94,413	1,88,288	5,82,701	3,94,396	2,45,883	6,40,279
Investment	500	1,73,290	1,73,790	-	1,55,598	1,55,598
Other financial assets	9,438	918	10,356	7,706	641	8,347
Non financial assets						
Current tax assets (net)	2,956	-	2,956	620	-	620
Deferred tax assets (net)	-	10,731	10,731	-	12,214	12,214
Property, plant and equipment	-	1,901	1,901	-	1,503	1,503
Right of Use assets	362	726	1,088	332	1,006	1,338
Other intangible assets	-	458	458	-	231	231
Intangible assets under development	-	1,473	1,473	-	-	-
Other non-financial assets	1,226	10	1,236	612	378	990
Total assets	**4,51,616**	**3,79,304**	**8,30,920**	**5,04,791**	**4,25,421**	**9,30,212**
Liabilities						
Financial liabilities						
Trade payables						
- Total outstanding dues of micro enterprises and small enterprises	319	-	319	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,131	-	1,131	1,091	-	1,091
Other payables						
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	675	-	675	544	-	544
Debt securities	-	-	-	5,000	-	5,000
Borrowings	3,03,601	1,32,189	4,35,790	3,58,993	2,63,585	6,22,578
Subordinated liabilities	1,720	39,290	41,010	228	40,558	40,786
Lease liabilities	332	866	1,198	253	1,110	1,363
Other financial liabilities	12,718	-	12,718	9,823	-	9,823
Non financial liabilities						
Provisions	399	1,877	2,276	409	1,365	1,773
Other non financial liabilities	838	-	838	657	-	657
Total liabilities	**3,21,733**	**1,74,222**	**4,95,955**	**3,76,997**	**3,06,618**	**6,83,615**

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45 Corporate social responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, including special education and employment enhancing vocation skills, eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil air and water. The unspent CSR amount to be utilised in next three financial years for the ongoing projects have been identified during the financial year 2024-25.

Amount required to be spent by the Company during the year and approved by the board

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a)	Gross Amount Required to be spent by the group during the year	347	181
b)	Amount approved by the board to be spent during the year	347	181

c) **Amount spent / unspent during the year ending on 31 March 2025**

	Particulars	In cash	Yet to be in cash	Total
i.	Creation or acquisition of a capital asset	-	-	-
ii.	On purposes other than (i) above	160	187	347

d) **Amount spent / unspent during the year ending on 31 March 2024**

	Particulars	In cash	Yet to be in cash	Total
i.	Creation or acquisition of a capital asset	-	-	-
ii.	On purposes other than (i) above	49	132	181

e) **Details of Related Party Transactions**

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024	Total
i.	Ananya Birla Foundation	187	40	227

f) **Details related to spent & Unspent obligations:**

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i.	Contribution to Public Trust	-	-
ii.	Contribution to Charitable Trust	-	-
iii.	Unspent Amount in relation to:		
	- Ongoing Project	187	132
	- Other than Ongoing Project	-	-

Note : Amount spent towards creation / acqisition of a capital asset will be declared relating to the assets which will be held by other parties as specified in Rule 7(4) of companies (Corporate Social Responsibility policy)Amendment Rules,2021 for it to be part of CSR expenses. CSR Expenditure has been incurred for promoting education, including special education and employment enhancing vocation skills.

g) **Details of Ongoing Project and other than ongoing project 31 March 2025**

In case of S.135(6) Ongoing Project						
Opening Balance as at 1 April 2024		Amount Required to be spent during the year	Amount Spent During The Year		Closing Balance as at 31st March 2025	
With Company	In seperate CSR Unspent A/c		From Company's Bank A/c	From Seperate CSR Unspent A/c	With Company	In seperate CSR Unspent A/c
-	132	187	-	132	-	187

Note: An amount of Rs.187 lakhs remained unspent as at the end of the financial year. This amount has been allocated to the Ananya Birla Foundation towards a multi-dimensional program focused on the care and empowerment of girls. The unspent amount has been transferred to a designated CSR Unspent Account in accordance with the provisions of the Companies Act, 2013.

In case of S.135(6) other than Ongoing Project				
Opening Balance	Amount Deposited in specified fund of Sch VII withing 6 months	Amount Required to be spent during the year	Amount Spent During the year	Closing Balance
-	-	-	-	-

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g) **Details of Ongoing Project and other than ongoing project 31 March 2024**

In case of S.135(6) Ongoing Project

Opening Balance as at 1 April 2023		Amount Required to be spent during the year	Amount Spent During The Year		Closing Balance as at 31st March 2024	
With Company	In seperate CSR Unspent A/c		From Company's Bank A/c	From Seperate CSR Unspent A/c	With Company	In seperate CSR Unspent A/c
-	73	132	-	73	-	132

In case of S.135(6) other than Ongoing Project

Opening Balance	Amount Deposited in specified fund of Sch VII withing 6 months	Amount Required to be spent during the year	Amount Spent During the year	Closing Balance
-	-	-	-	-

46 During the financial year 2024–25, the Company has observed a higher-than-usual level of observed default rates (ODRs) across certain geographies of our portfolio. These elevated ODRs were largely driven by external macroeconomic factors and transient sectoral stresses that affected borrower performance during the reporting period.
While the Company has noted early signs of stabilization in the most recent quarters, and forward-looking indicators suggest a gradual normalization, the Company believes it remains prudent from a risk management and provisioning standpoint to continue maintaining a management overlay of Rs. 4,098 lakhs (FY 2023-24 Rs. 19,966 lakhs).

47 Dividend on Compulsorily Convertible Non-Cumulative Preference Shares

i. Dividend for FY 2023–24
The Board of Directors had declared an interim dividend of 5% on Compulsorily Convertible Non-Cumulative Preference Shares (CCPS), which are classified as equity in accordance with Ind AS 32 – Financial Instruments: Presentation, for the financial year ended 31 March 2024. the total dividend payout amounted to Rs.5,229 lakhs. The payment was made during the financial year 2024–25.

ii. Dividend for FY 2024–25 (First Interim Dividend)
In the meeting held on 28 October 2024, the Board declared an interim dividend of 5% on CCPS for the period 1 April 2024 to 30 October 2024.the total payout amounted to Rs.5,121 lakhs.

iii. Dividend for FY 2024–25 (Second Interim Dividend)
The Board of Directors, in their meeting held on 9 January 2025, declared a second interim dividend of 5% on CCPS for the period 1 November 2024 to 8 January 2025. the total payout amounted to Rs. 738 lakhs

48 The Board of Directors of the Company at their meeting held on November 6, 2024 have inter-alia, considered and approved the draft Scheme of Amalgamation ("Scheme") between Svatantra Holdings Private Limited ('First Transferor Company'), Chaitanya India Fin Credit Private Limited ('Second Transferor Company') and Svatantra Microfin Private Limited ('Transferee Company' or 'the Company') and their respective shareholders under sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013. The Scheme is subject to the receipt of necessary approvals from the statutory and regulatory authorities, as may be necessary.
The BSE Limited vide its letter dated February 6, 2025 bearing number DCS/AMAL/TS/REG59A/3514/2024-25 has issued Observation Letter with 'no adverse observations' on the Scheme of Amalgamation and the Company has also obtained the necessary approval from Competition Commission of India (CCI) vide letter no. C-2024/12/1226 dated February 18, 2025. The Company has filed an application with RBI seeking its approval for the proposed amalgamation on January 30, 2025 and with NCLT on March 3, 2025. The first motion application was heard by the Hon'ble NCLT, Mumbai Bench on May 6, 2025 seeking direction for holding meetings of Debenture holders and creditors for obtaining their approval towards proposed Scheme of Amalgamation and it is reserved for the order.

49 Details of Benami Property held
There are NIL proceedings have initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

50 Wilful Defaulter:
The Company is not declared as wilful defaulter by any bank or financial institution or other lender during the financial year 2024-25 and 2023-24.

51 Relationship with struck off companies
The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

52 Registration of charges or satisfaction with Registrar of Companies (ROC)
All charges or satisfaction are registered with ROC within statutory period by the Company

53 Compliance with number of layers of companies
The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

54 Compliance with approved Scheme(s) of Arrangements
During the Financial year 2024-2025 the company does not have any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013

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55 Utilisation of Borrowed funds and share premium:

During the Financial year 2024-2025

Other than the transactions that are carried out as part of Company's normal lending business:

A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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;

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the 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.

56 Undisclosed income

The Company did not have any undisclosed income during in tax assessments during the financial year 2024-2025 under the Income Tax Act, 1961

57 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 2024-2025 and 2024-2023.

58 The company has reclassified / regrouped the following pervious years figures to confirm the current years classification:

1. Interest accrued on borrowings amounting to Rs. 2163 lakh, which was presented under Other Financial Liabilities, has now been classified under Debt Securities, Borrowings other than Debt Securities, and Subordinated Liabilities, as applicable.
2. Receivables from insurance companies amounting to Rs. 800 lakh, which were disclosed under Receivables, have now been presented under Other Financial Assets.
3. Advances to employees relating to petty cash expenses amounting to Rs. 92 lakh, earlier included under Cash and Cash Equivalents, have now been reclassified under Other Non-Financial Assets.
4. Investment in security receipts (net of impairment) amounting to Nil, which was shown under Investments, has now been presented under Loans.

The management believes that these reclassifications do not have a material impact on the information presented in the balance sheet as at the beginning of the preceding period, i.e., 1 April 2023. Accordingly, a third balance sheet has not been presented in these financial statements.

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(All amounts in ₹ Lakhs unless otherwise stated)

Disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

59 Comparison between IRACP and impairment allowance made under IND AS 109
Loan Classification 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	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
Performing assets						
	Stage 1	5,96,855	20,826	5,76,029	2,413	18,413
	Stage 2	8,962	5,696	3,266	35	5,661
Subtotal		**6,05,817**	**26,522**	**5,79,295**	**2,448**	**24,074**
Non performing assets						
More than 90 days	Stage 3	18,559	15,153	3,406	6,302	8,851
Subtotal of doubtful		**18,559**	**15,153**	**3,406**	**6,302**	**8,851**
Total	Stage 1	5,96,855	20,826	5,76,029	2,413	18,413
	Stage 2	8,962	5,696	3,266	35	5,661
	Stage 3	18,559	15,153	3,406	6,302	8,851
Total		**6,24,376**	**41,675**	**5,82,701**	**8,750**	**32,925**

Loan Classification 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	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
Performing assets						
	Stage 1	6,63,075	26,554	6,36,521	2,608	23,946
	Stage 2	5,351	4,020	1,331	20	4,000
Subtotal		**6,68,426**	**30,574**	**6,37,852**	**2,628**	**27,945**
Non performing assets						
More than 90 days	Stage 3	22,589	20,162	2,427	12,017	8,145
Subtotal of doubtful		**22,589**	**20,162**	**2,427**	**12,017**	**8,145**
Total	Stage 1	6,63,075	26,554	6,36,521	2,608	23,946
	Stage 2	5,351	4,020	1,331	20	4,000
	Stage 3	22,589	20,162	2,427	12,017	8,145
Total		**6,91,015**	**50,736**	**6,40,279**	**14,645**	**36,091**

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(All amounts in ₹ Lakhs unless otherwise stated)

60 Liquidity Coverage Ratio (LCR)

Disclosure of Liquidity Risk Management as per Master Direction — Reserve Bank of India (Non-Banking Financial Company — Scale Based Regulation) Directions, 2023 dated October 19, 2023

Particulars	Quarter 30 June 2024		Quarter 30 September 2024		Quarter December 2024		Quarter 31 March 2025	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
**Total High Quality Liquid Assets (HQLA)	41,635	41,635	47,288	47,288	70,832	70,832	32,736	32,736
Cash Outflows								
Deposits (for deposit taking companies)			-	-	-	-	-	-
Unsecured funding and Secured funding	38,579	44,365	44,446	51,113	42,595	48,985	37,149	42,721
Additional requirements, of which								
Outflows related to derivative exposures and other collateral requirements			-	-	-	-	-	-
Outflows related to loss of funding on debt products			-	-	-	-	-	-
Credit and liquidity facilities			-	-	-	-	-	-
Other contractual funding obligations	17,925	20,614	14,520	16,698	24,651	28,348	20,117	23,134
Other contingent funding obligations	-	-	-	-	-	-	-	-
Operational Expenses	-	-	-	-	-	-	-	-
Total Cash Outflows	**56,504**	**64,979**	**58,966**	**67,811**	**67,246**	**77,333**	**57,266**	**65,855**
Cash Inflows								
Secured lending			-	-	-	-	-	-
Inflows from fully performing exposures	56,293	42,220	56,083	42,062	57,605	43,204	55,081	41,311
Other cash inflows	2,278	1,708	2,889	2,166	29,167	21,875	2,344	1,758
Total Cash Inflows	**58,571**	**43,928**	**58,972**	**44,228**	**86,772**	**65,079**	**57,425**	**43,069**
Total HQLA	-	41,635	-	47,288	-	70,832	-	32,736
Total Net Cash Outflows	-	21,051	-	23,583	-	19,334	-	22,787
Liquidity Coverage Ratio (%)		197.78%		200.52%		366.37%		143.66%

**HQLA comprises of Cash and Fixed Deposit.

Svatantra Microfin Private Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Liquidity Coverage Ratio (LCR)

Particulars	Quarter 30 June 2023		Quarter 30 September 2023		Quarter December 2023		Quarter 31 March 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
**Total High Quality Liquid Assets (HQLA)	88,330	88,330	33,307	33,307	37,972	37,972	1,04,723	1,04,723
Cash Outflows	-				-		-	-
Deposits (for deposit taking companies)	-	-			-		-	-
Unsecured funding and Secured funding	38,433	44,198	38,124	43,842	41,935	48,225	42,104	48,420
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	10,928	12,567	11,519	13,247	11,329	13,028	13,599	15,639
Other contingent funding obligations	7,889	9,072	5,778	6,644	4,667	5,367	3,111	3,578
Operational Expenses	3,000	3,450	3,000	3,450	3,000	3,450	3,500	4,025
Total Cash Outflows	**60,250**	**69,287**	**58,421**	**67,183**	**60,930**	**70,070**	**62,314**	**71,662**
Cash Inflows								
Secured lending								
Inflows from fully performing exposures	54,046	40,535	56,584	42,438	56,198	42,149	57,077	42,808
Other cash inflows	-	-	-	-	-	-		
Total Cash Inflows	**54,046**	**40,535**	**56,584**	**42,438**	**56,198**	**42,149**	**57,077**	**42,808**
Total HQLA	-	88,330		33,307		37,972	-	1,04,723
Total Net Cash Outflows	-	28,752		24,745		27,921	-	28,854
Liquidity Coverage Ratio (%)		307.21%		134.60%		135.99%		362.94%

**HQLA comprises of Cash and Fixed Deposit.

(All amounts in ₹ Lakhs unless otherwise stated)

Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

61 Capital to risk assets ratio ('CRAR')

The following table sets forth, for the periods indicated, the details of capital to risk assets ratio under RBI Guidelines:

Particulars	As at 31 March 2025	As at 31 March 2024
i) CRAR (%)	29.61%	18.54%
ii) CRAR – Tier I Capital (%)	26.00%	13.87%
iii) CRAR – Tier II Capital (%)	3.61%	4.67%
iv) Amount of subordinated debt as Tier - II debt	15,591	23,519
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

62 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
1. Value of investments		
i) Gross value of investments		
a) in India	1,73,790	1,55,598
b) outside India	-	-
ii) Provision for depreciation		
a) in India	-	-
b) outside India	-	-
iii) Net value of Investments		
a) in India	1,73,790	1,55,598
b) outside India	-	-
2. Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less: Write-off / write-back of excess provision	-	-
(iv) Closing balance	-	-

63 Derivatives

a) Forward Rate Agreement (FRA) / Cross currency swaps

Particulars	As at 31 March 2025	As at 31 March 2024
The notional principal of swap agreements	16,118	-
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
Collateral required by the Company upon entering into swaps	-	-
Concentration of credit risk arising from the swaps*	-	-
The fair value of the swap book (Asset / (Liability) (net)	540	-

* Concentration of credit risk arising from swaps with banks.
The company has hedged its foreign currency borrowings through cross currency swap for accounting policy and risk management policy refer note 4

b) Exchange Traded Interest Rate (IR) Derivatives
- The Company has not traded in exchange traded interest rate derivatives during the current and previous year.

c) Disclosure on risk exposure in derivatives
i) Qualitative Disclosure
1) The Company has fully hedged the risk on account of foreign currency fluctuation towards external commercial borrowing;
2) The Company has put in place a reporting and monitoring mechanism for the risk associated with the derivative transaction;
3) The Company has put in place accounting policy covering recording of hedge and non-hedge transactions, recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning and credit risk mitigation.

ii) Quantitative Disclosure

Particulars	As at 31 March 2025		As at 31 March 2024	
	Currency derivative*	Interest rate Derivatives	Currency derivative	Interest rate Derivatives
Derivatives (Notional Principal Amount) for hedging	16,118	-	-	-
Marked to Market Positions				
a) Asset	540	-	-	-
b) Liability	-	-	-	-
Credit Exposure	-	-	-	-
Unhedged Exposures	-	-	-	-

* Cross currency swaps

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(All amounts in ₹ Lakhs unless otherwise stated)

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64 Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities as of 31 March 2025

Particulars	Deposits	Advances	Investments	Stock of securities	Borrowings	Foreign Currency liability
1 day to 7 days	-	32,191	500	-	696	-
8 day to 14 days	-	13,324	-	-	14,509	-
15 day to 30/31 days	-	116	-	-	10,431	-
Over one month to 2 months	-	36,084	-	-	34,096	191
Over 2 months up to 3 months	-	34,865	-	-	25,540	-
Over 3 months to 6 months	-	1,00,535	-	-	86,447	2,414
Over 6 months to 1 year	-	1,77,298	-	-	1,24,356	6,640
Over 1 year to 3 years	-	1,84,882	-	-	1,59,675	6,940
Over 3 years to 5 years	-	3,406	-	-	4,865	-
Over 5 years	-	-	1,73,290	-	-	-
Total	**-**	**5,82,701**	**1,73,790**	**-**	**4,60,615**	**16,185**

Maturity pattern of certain items of Assets and Liabilities as of 31 March 2024

Particulars	Deposits	Advances	Investments	Stock of securities	Borrowings	Foreign Currency liability
1 day to 7 days	-	24,853	-	-	6,156	-
8 day to 14 days	-	10,291	-	-	13,581	-
15 day to 30/31 days	-	76	-	-	11,357	-
Over one month to 2 months	-	36,566	-	-	29,640	-
Over 2 months up to 3 months	-	36,687	-	-	41,894	-
Over 3 months to 6 months	-	1,08,666	-	-	1,06,995	-
Over 6 months to 1 year	-	1,77,257	-	-	1,52,793	1,805
Over 1 year to 3 years	-	2,45,869	-	-	2,55,592	12,069
Over 3 years to 5 years	-	14	-	-	33,052	3,430
Over 5 years	-		1,55,598	-	-	-
Total	**-**	**6,40,279**	**1,55,598**	**-**	**6,51,060**	**17,304**

65 Disclosures relating to Direct Assignment and Securitization and Asset Reconstruction

65.1 Details of loan transferred/ acquired during the year ended 31 March 2025 under the RBI master Direction on transfer of loan exposure vide circular no. RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22, Dt. 24 September 2021 are given below:

i **Detail of transfer through Direct assignment in respect of loans not in default during the financial year 2024-2025.**

Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
Number of Loans	3,53,214	3,76,145
Aggregate Amount	1,30,012	1,21,528
Sale Consideration	1,17,010	1,09,375
Number of transactions	6	6
Weighted Average remaining maturity (Month)	17	16
Weighted Average holding period after origination (Month)	7	8
Retention of beneficial economic interest	10%	10%
Coverage of tangible security coverage	-	-
Rating wise distribution of rated loans	-	-
Number of instances (transactions) where transferred as agreed to replace the transferred loans	-	-
Number of transferred loans replaced	-	-

ii The Company has not transferred any non performing assets (NPAs).
iii The Company has not acquired any loans through Direct assignment.
iv The Company has not acquired any stressed loan.

65.2 Disclosures relating to Assignment transaction

During the year, the Company has entered into Direct Assignment ("DA") with banks ("Assignee") for direct assignment of its portfolio loans provided to various persons from time to time ("Receivables"). This has been duly approved by Board of Directors. Pursuant to this, following transactions have taken place during the year :

Particulars	As at 31 March 2025	As at 31 March 2024
Total sanctioned receivables	1,30,012	1,21,528
No of accounts (Nos.)	3,53,214	3,76,145
Receivables assigned during the year	1,30,012	1,21,528
Minimum retention reserve for the Company	13,002	12,153
Payment made by Assignee for their purchased share	1,17,010	1,09,375
Net gain on derecognition of financial instruments under amortized cost category	13,051	11,772
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain / loss over net book value	-	-

65.3 Securitisation

Securitised assets as per the books of SPVs sponsored by the NBFC
Nil during the year ended March 31, 2025 (March 31, 2024: Nil)

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66 Disclosure on Liquidity Risk

i) Funding Concentration based on significant counterparty

Particulars	As at 31 March 2025	As at 31 March 2024
Number of Significant Counterparties	23	25
Rs. In lakhs	4,51,006	6,03,965
% of Total Deposits	NA	NA
% of Total Liabilities	90.94%	88.35%

Notes:
A Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities of the Company.
Total Liabilities has been computed as Total Assets less total equity.

ii) Top 20 large deposits (amount in lakhs and % of total deposits) - Not Applicable

iii) Top 10 borrowings

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount	% of Total Borrowings	Amount	% of Total Borrowings
Top 10 borrowings	3,30,390	69.29%	3,96,386	59.50%

iv) 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
Term Loan	3,95,301	79.70%	5,52,985	80.89%
Debt Securities	-	0.00%	5,000	0.73%
Subordinated liabilities	39,519	7.97%	39,304	5.75%
External Commercial Borrowing (ECB)	16,185	3.26%	12,322	1.80%

Note:
A "Significant instrument/product" is defined as a single instrument accounting in aggregate for more than 1% of the NBFC-NDSI's total liabilities.

v) Stock Ratios:

Stock Ratio	As at 31 March 2025	As at 31 March 2024
	%	%
i) Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	-	-
ii) Non-convertible debentures (original maturity of less than one year) as a % of total assets	-	-
iii)Other short-term liabilities as a % of total Public funds	73.43%	56.41%
iv) Other short-term liabilities as a % of total liabilities	70.60%	55.15%
v) Other short-term liabilities as a % of total assets	42.14%	40.53%

Note:
Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year).

vi) Institutional set-up for Liquidity Risk Management
The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business.

The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk faced by the Company. The RMC meets as and when required to review and monitor the risks associated with the business of the Company.
The Board of Directors has also constituted Asset Liability Committee (ALCO), which address concerns regarding Asset Liability mismatches of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board.

The main objective of ALCO is to address concerns regarding asset liability mismatches, achieving optimal return on capital employed while maintaining acceptable levels of risk relating to liquidity, address concerns regarding interest rate risk exposure and to do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws. ALCO meetings are held at regular intervals and the minutes of the meeting is placed before the Board of Directors for its perusal/ratification.

67 Exposures

67.1 Exposures to Real Estate Sector
The Company has no exposure to the real estate directly or indirectly in the current and previous financial year.

67.2 Exposures to Capital Market
The Company has no exposure to the capital market directly or indirectly in the current and previous financial year.

68 Details of financing of parent company products
The Company was not involved in the financing of Parent Company products.

69 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC
The Company has not exceeded the prudential exposure limits during the current and previous financial year.

70 Unsecured Advances
Refer "Note 6" of standalone Financial statements.

71 The Company is a non-listed NBFC and the Corporate Governance Disclosure is covered under the corporate governance/ appropriate section of the Annual Report in accordance with requirements of SEBI (LODR) Regulations, 2015

72 The Company has complied with the covenants under the term of the borrowing facilities through out the reporting period.

73 There are no divergences in the asset classification and provisioning requirements as assessed by RBI during the current and previous financial year end.

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(All amounts in ₹ Lakhs unless otherwise stated)

74 Miscellaneous

74.1 Related party disclosures

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Directors		Relatives of Directors		Other Key Management Personnel		Relatives of Other Key Management Personnel		Others		Total	
Particulars	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**
Borrowings																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments																		
Outstanding	-	-	1,73,290	1,55,598	-	-	-	-	-	-	-	-	-	-	-	-	1,73,290	1,55,598
Maximum during the year	-	-	1,73,290	1,55,598	-	-	-	-	-	-	-	-	-	-	-	-	1,73,290	1,55,598
Other Outstanding	-	-	24	-	-	-	-	-	-	-	-	-	-	-	-	-	24	-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany Cross charge for procurement	-	-	22	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-
- Remuneration	-	-	-	-	-	-	-	-	-	-	228	265	-	-	-	-	228	265
- Sitting fees	-	-	-	-	-	-	18	7	-	-	-	-	-	-	-	-	18	7
- Income cross charged	-	-	27	-	-	-	-	-	-	-	-	-	-	-	-	-	27	-
- Expenditure cross charged	-	-	48	-	-	-	-	-	-	-	-	-	-	-	-	-	48	-
- Investment in subsidiary	-	-	17,692	-	-	-	-	-	-	-	-	-	-	-	-	-	17,692	-
Service fee income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	-	7	-
CSR Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	187	40	187	40
- Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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74.2 Ratings assigned and migration of ratings during the year

During the current year, the credit rating agencies have assigned the following credit ratings to the Company:

Particulars	Current Rating	Previous rating
a) MFI Grading	M1 (SMERA)	M1 (SMERA)
b) Bank loan rating	CRISIL AA - (Stable)	CRISIL AA - (Stable)
c) Bank loan rating	CARE AA - (Stable)	CARE AA - (Stable)
d) Subordinated Debt of INR 165 Crores	CRISIL AA - (Stable)	CRISIL AA - (Stable)
e) Subordinated Debt of INR 125 Crores	CRISIL AA - (Stable)	CRISIL AA - (Stable)
f) NCD of INR 350 Crores	Withdrawn	CRISIL AA - (Stable)
g) Short Term Debt of INR. 100 Crore	CRISIL A1+	CRISIL A1+
h) Subordinated Debt of INR 75 Crores	CRISIL AA - (Stable)	CRISIL AA - (Stable)
i) NCD of INR 100 Crores	CARE AA - (Stable)	CARE AA - (Stable)
j) Subordinated Debt of INR 50 Crores	CRISIL AA - (Stable)	CRISIL AA - (Stable)
k) Commercial paper of INR 700 Crores	CRISIL A1+	CRISIL A1+

74.3 Remuneration of Directors

Name of the directors	As at 31 March 2025	As at 31 March 2024
Shankar Girija Natarajan	9	4
Meena Jagtiani	9	3

74.4 Net Profit or Loss for the year, prior period items and changes in accounting policies

There is no change in accounting policies during the financial year 2024-2025. There are no prior period items which are impacting company's current year profit and loss.

74.5 Revenue Recognition

There are no such circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

74.6 Ind AS 110 -Consolidated Financial Statements (CFS)

The Company has acquired a 100% stake in Chaitanya India Fin Credit Private Limited ("the Subsidiary Company") effective 23 November 2023. There have been no material or exceptional transactions during this period that could materially impact the consolidated financial statements.

Further, the Company has invested in the right issue of equity shares of its wholly owned subsidiary, Chaitanya India Fin Credit Private Limited (CIFCPL). Pursuant to the right issue offer made by CIFCPL, the Company has subscribed to 2,20,73,333 equity shares of INR 10/- each, at a premium of INR 70.15/- per share. The total investment amounted INR 176,91.77 lakhs. The equity shares were allotted by CIFCPL to the Company on 16th December 2024.

75 Additional Disclosures

75.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended 31 March 2025	For the year ended 31 March 2024
i) Provision towards standard asset*	(4,052)	7,190
ii) Provision for non-performing assets**	(5,009)	(1,264)
iii) Provision made towards Income tax (Including deferred tax and earlier period tax adjustments)	5,055	6,944
iv) Other provision and contingencies (employee benefits)	504	610
v) Provision on other assets	649	79

* represents impairment loss allowance (reversal) on stage 1 and stage 2 assets

** represents impairment loss allowance (reversal) on stage 3 assets

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SVATANTRA MICROFIN PRIVATE LIMITED ★ MUMBAI

(All amounts in ₹ Lakhs unless otherwise stated)

Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

75.2 Draw Down from Reserves

There have been no drawdown from Reserves during the current and previous financial years

75.3 Concentration of Advances, Exposures and NPAs

Concentration of Advances	As at 31 March 2025	As at 31 March 2024
Total Advances to twenty largest borrowers	50	50
Percentage of advances to twenty largest borrowers to Total advances of applicable NBFC	0.01%	0.01%

Concentration of Exposures	As at 31 March 2025	As at 31 March 2024
Total Exposure to twenty largest borrowers / customers (Including interest accrued and due)	51	50
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	0.01%	0.01%

Concentration of NPAs	As at 31 March 2025	As at 31 March 2024
Total Exposure to top four NPA accounts	8	6

75.4 Movement of NPAs

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Net NPAs to Net Advances (%)	0.58%	0.38%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	22,589	33,592
(b) Additions during the year	37,932	24,350
(c) Reduction/write off during the year	(41,962)	(35,353)
(d) Closing balance	18,559	22,589
(iii) Movement of NPAs (Net)		
(a) Opening balance	2,426	12,165
(b) Additions during the year	21,367	17,253
(c) Reduction/write off during the year	(20,387)	(26,992)
(d) Closing balance	3,406	2,426
(iv) Movement of provisions for NPAs (excluding provision on standard assets)		
(a) Opening balance	20,162	21,426
(b) Additions during the year	16,565	7,097
(c) Reduction/write off during the year	(21,574)	(8,361)
(d) Closing balance	15,153	20,162

75.5 Overseas Assets

The Company does not have any subsidiary and joint venture abroad.

75.6 Off-Balance Sheet SPVs sponsored

There are no off-balance sheet SPVs sponsored by the Company.

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75.7 Customer Complaints

i. Summary information on complaints received by the Company from customers and from the Offices of Ombudsman

Particulars	As at 31 March 2025	As at 31 March 2024
Complaints received by the Company from its customers	-	-
1. Number of complaints pending at the beginning of the year	23	1
2. Number of complaints received during the year	2405	420
3. Number of complaints disposed during the year	2340	398
3.1 Of which, number of complaints rejected by the Company	845	208
4. Number of complaints pending at the end of the year	88	23
Maintainable complaints received by the Company from Office of Ombudsman		
5. Number of maintainable complaints received by the Company from Office of Ombudsman	2	4
5.1 Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	2	4
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the scheme.

ii. Top five grounds of complaints received by the Company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	For the year ended 31 March 2025				
1.Staff behaviour (employee coordination with client)	5	401	132%	7	-
2.Transaction related (EMI, foreclosure, etc)	14	505	146%	25	-
3.Insurance related (settlement)	4	919	3729%	27	-
4.Loan related (excess interest charged, amount wrongly credited, closure etc)	-	121	1917%	7	-
5.CIC data updation	-	349	6880%	19	-
6.Others	-	110	1471%	3	-
Total	**23**	**2405**		**88**	**-**
	For the year ended 31 March 2024				
1.Staff behaviour (employee coordination with client)	-	173	1231%	5	-
2.Transaction related (EMI, foreclosure, etc)	-	205	2178%	14	-
3.Insurance related (settlement)	1	24	380%	4	-
4.Loan related (excess interest charged, amount wrongly credited, closure etc)	-	6	50%	-	-
5.CIC data updation	-	5	400%	-	-
6.Others	-	7	0%		
Total	**1**	**420**		**23**	**-**

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(All amounts in ₹ Lakhs unless otherwise stated)

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76 Disclosure of frauds reported during the year ended 31 March 2025

Particulars	No. of cases	Amount of fraud	Recovery	Pending Settlement	Amount written-of
A) Person Involved					
Staff	127	33	20	13	Nil
Customers	-	-	-	-	-
Staff and Customers	-	-	-	-	-
Outsider	-	-	-	-	-
B) Type of Fraud					
Misappropriation and Criminal Breach of Trust	127	33	20	13	Nil
Fraudulent Encashment/ Manipulation of books of accounts	-	-	-	-	-
Unauthorized Credit/ Facility extended	-	-	-	-	-
Negligence and cash shortages	-	-	-	-	-
Cheating and Forgery	-	-	-	-	-
Others	-	-	-	-	-

Disclosure of frauds reported during the year ended 31 March 2024

Particulars	No. of cases	Amount of fraud	Recovery	Pending Settlement	Amount written-of
A) Person Involved					
Staff	537	88	51	37	Nil
Customers	-	-	-	-	-
Staff and Customers	-	-	-	-	-
Outsider	-	-	-	-	-
B) Type of Fraud					
Misappropriation and Criminal Breach of Trust	535	68	45	23	Nil
Fraudulent Encashment/ Manipulation of books of accounts	-	-	-	-	-
Unauthorized Credit/ Facility extended	-	-	-	-	-
Negligence and cash shortages	-	-	-	-	-
Cheating and Forgery	2	20	6	14	-
Others	-	-	-	-	-

77 Sectoral Exposure

Sectors	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	4,66,783	12,841	2.8%	5,16,625	16,387	3.2%
2.Manufacturing/Production/Transportation	10,595	347	3.3%	13,236	335	2.5%
3.Services(Micro activities and Essential Services)	84,593	3,388	4.0%	1,33,083	3,277	2.5%
4. Personal loans	5,670	25	0.4%	1,413	37	2.6%
5. Others	56,735	1,958	3.5%	26,658	2,553	9.6%

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SVATANTRA MICROFIN PRIVATE LIMITED ★ MUMBAI

(All amounts in ₹ Lakhs unless otherwise stated)

Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

77.1 Loans to Directors, senior officers and relatives of Directors

	As at 31 March 2025	As at 31 March 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	-	-

78 The Company has no unhedged foreign currency exposure as on March 31, 2025 (March 31, 2024: Nil).

79 The Company has no intra-group exposure in the current and previous financial year end.

80 There were no loans given against the collateral of gold jewellery

81 The company has not conducted any gold auction during the year

82 The Company has obtained an exemption from the Reserve Bank of India (RBI) with respect to maintaining the prescribed qualifying asset criterion of 75% (pertaining to microfinance loans) on a standalone basis. This exemption is valid until the completion of the merger of Chaitanya India Fin Credit Private Limited (CIFCPL), a subsidiary company, with the Company or until 31 March 2026, whichever is earlier, as per RBI letter no. CO.DOR.SIG.No.S5552/03-10-001/2024-2025 dated 13 December 2024.

83 Registration obtained from other financial sector regulators

Regulator	Registration Number	Date of Registration
Insurance Regulatory and Development Authority of India	CA0945	04-06-2024

84 Disclosure of penalties imposed by RBI and other regulators
No penalty imposed by RBI and other regulators during the current and previous financial year.

85 Proper books of account as required by law have been kept by the Company. Back-up of the books of account and papers maintained in electronic mode is maintained on servers physically located in India on a daily basis.

86 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, i) in respect of software used for general ledger and loan management, the audit trail feature is not enabled for direct changes to data when using certain access rights till June 2024 and post which it has been recorded through PAM system (Privilege Access Management) in the form of video logs and ii) in respect of certain software for loan origination, the audit trail feature is not enabled for direct changes to data when using certain access rights.
Further, there has been no instance of audit trail feature being tampered with wherever it has been enabled. Additionally, the Company has preserved audit trail in respect of the financial years ended March 31, 2024 and March 31, 2025 to the extent it was enabled and recorded in respect of those years.

87 The disclosure as required by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19th October, 2023 is given in "Annexure I".

88 Events after the reporting date
There have been no other events after the reporting date that require disclosure in these standalone financial statements.

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited

Schedule to the Balance Sheet of a non deposit taking non banking financial company as on 31 March 2025

Disclosure as required by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19th October, 2023

		Particulars	(Amount Rupees in Lakhs)	
	Liabilities side			
(1)	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid**		**Amount outstanding**	**Amount Overdue**
	(a)	Debentures		
		Secured	-	Nil
		Unsecured (Other than falling within the meaning of public deposits*)	-	Nil
	(b)	Deferred credits	Nil	Nil
	(c)	Term loans	4,35,790	Nil
	(d)	Inter - corporate loans and borrowings	-	Nil
	(e)	Commercial Paper	Nil	Nil
	(f)	Public Deposits*	Nil	Nil
	(g)	Other Loans: Subordinated liabilities	41,010	Nil
	*Refer note no. 1 below			
(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	Nil	Nil
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
	(c)	Other public deposits	Nil	Nil
	* Please see Note 1 below			

	Asset side		**Amount outstanding (Rupees in Lakhs)**
3	**Break up of loans and advances including bills receivables other than those included in (4) below**		
		(a) Secured	-
		(b) Unsecured	5,82,701
4	**Break up of leased assets and stock on hire and hypothecation loans counting towards AFC activities**		
	(i)	Lease assets including lease rentals under sundry debtors :	
		(a) Financial lease	NA
		(b) Operating lease	NA
	(ii)	Stock on the hire including hire charges under sundry debtors :	
		(a) Assets on hire	NA
		(b) Repossessed assets	NA
	(iii)	Other loans counting towards AFC activities	
		(a) Loans where assets have been repossessed	NA
		(b) Loans other than (a) above	NA

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SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

5	Break up of investments		Amount outstanding (Rupees in Lakhs)
		Current investments	
	1	Quoted	
		(i) Shares	
		(a) Equity	Nil
		(b) Preference	Nil
		(ii) Debentures and bonds	Nil
		(iii) Units of mutual funds	Nil
		(iv) Government securities	Nil
		(v) Others (please specify)	Nil
	2	Unquoted	
		(i) Shares	
		(a) Equity	Nil
		(b) Preference	Nil
		(ii) Debentures and bonds	Nil
		(iii) Units of mutual funds	Nil
		(iv) Government securities	Nil
		(v) Others (please specify)	Nil
		Long term investments	
	1	**Quoted**	
		(i) Shares	
		(a) Equity	Nil
		(b) Preference	Nil
		(ii) Debentures and bonds	Nil
		(iii) Units of mutual funds	Nil
		(iv) Government securities	Nil
		(v) Others (please specify)	Nil
	2	**Unquoted**	
		(i) Shares	
		(a) Equity	1,73,290
		(b) Preference	Nil
		(ii) Debentures and bonds	Nil
		(iii) Units of mutual funds	Nil
		(iv) Government securities	Nil
		(v) Others (please specify)	Nil

6	Borrowers group wise classification of financed as in (3) and (4) above:				
	Category		Amount Net of Provisions (Rupees in Lakhs)		
	1	**Related parties**	Secured	Unsecured	Total
	(a)	Subsidiaries	Nil	Nil	Nil
	(b)	Companies in the same group	Nil	Nil	Nil
	(c)	Other related parties	Nil	Nil	Nil
	2	**Other than related parties**	Nil	5,82,701	5,82,701
		Total	**Nil**	**5,82,701**	**5,82,701**

7	Investor Group Wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Catego		Amount outstanding (Rupees in Lakhs)	
			Market value/ break up of fair value or NAV	Book value (net of provision)
	1	**Related parties**		
	(a)	Subsidiaries	Nil	Nil
	(b)	Companies in the same group	Nil	Nil
	(c)	Other related parties	Nil	Nil
	2	**Other than related parties**	**Nil**	**Nil**
		Total	**Nil**	**Nil**

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

8			(Rs. In Lakhs)
	Sr. No.	Particulars	As at 31 March 2025
	(i)	Gross non-performing assets	
	(a)	Related parties	-
	(b)	Other than related parties	18,559
	(ii)	Net non-performing assets	
	(a)	Related parties	-
	(b)	Other than related parties	3,406
	(iii)	Assets acquired in satisfaction of debts	-

Notes:

1. As defined in point xix of paragraph 3 of Chapter -2 of these Directions.
2. Provisioning norms shall be applicable as prescribed in these Directions.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

S.R. BATLIBOI & CO. LLP
MUMBAI
2
Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED
MUMBAI

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025