Light

Finance. Simple.

Annual Report

2025-26

Light Microfinance Private Limited

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Seventeen Years, One Continuing Mission

Seventeen years on a journey is long enough to learn, to adapt, and to understand the true nature of the challenges we face.

Along the way, we have listened to communities and learned from our setbacks. We have built partnerships and celebrated the resilience of the human spirit. We have seen firsthand that progress is not a straight line, but a winding path shaped by persistence and unwavering commitment.

And yet, this reflection is set against a stark and sobering backdrop. The 2024 Global Hunger Index places India at 105th among 127 countries, with a score of 27.3 that denes Āour national hunger level as "serious."

These figures are not just points on a chart; they represent the daily struggle of millions and the vast human potential that remains constrained.

This reality does not defeat us; it denes Āour path forward. It sharpens our focus and deepens our resolve. The wisdom gained over seventeen years has prepared us for this very moment—to work with greater urgency, to innovate with deeper creativity, and to collaborate with stronger determination.

Our mission is clearer than ever: to stand with India's most vulnerable, to empower them in their pursuit of a better life, and to help build a future where no one is left behind.

The challenge is signi. cant, but our commitment is absolute. Together, we continue the journey.

OUR JOURNEY OF GROWTH & IMPACT

FY 2009

AUG:
Light was founded in Ahmedabad, Gujarat

SEP:
Light launches first branch in Bavla, Gujarat

FY 2010

NOV:
Light disburses first loan

FY 2015

APR:
Light expands to Rajasthan

SEP:
Archieved Rs. 100 Crore AUM

Rs. 100 crore aum milestone

FY 2018

AUG:
Light expends to Madhya Pradesh

FY 2021

MAR:
Light expands to Haryana

JUL:
Series A;
Equity infusion of Rs. 75 Crore was completed in Jul 2021

SEP:
Achieved AUM of Rs. 700 Crore

Rs. 700 crore aum milestone

FY 2022

MAR:
Light ranks in FT Ranking Asia - Paci c High Growth Companies 2022 & ET India's Growth Champions

SEP:
Series B:
Equity Infusion of Rs. 196 Crore

NOV:
Expands to Himachal Prdesh

FY 2023

JUL:
Archieves Rs. 2000 Crore AUM

OCT:
Expands to Uttar Pradesh Uttarakhand, Odisha & Jharkhand

Rs. 2,000 crore aum milestone

17

Years of Building, Growing and Evolving - Strengthening Our Foundation for the Future

ABOUT THE COMPANY

Light: We are building the quintessential bridge between the endowed and the underprivileged.

Founded in 2009, Light is a Non-Banking Financial Company – Micro Finance Institution (NBFC-MFI) committed to transforming the lives of marginalized communities across India.

With an unwavering focus on . nancial inclusion and sustainable development, Light has developed innovative approaches to extend financial services to those underserved by traditional banking institutions.

Driven by its mission to uplift underprivileged communities, Light offers financial products and services designed to bridge the gap between rural and peri-urban regions, enabling greater access to responsible credit and financial empowerment.

The Company places a strong emphasis on addressing the financial needs of marginalized women, fostering entrepreneurship, self-reliance, and community upliftment. Its assets are managed with discipline and purpose, supporting a culture of empowerment and social progress.

Headquartered in Ahmedabad, Gujarat, Light has expanded its presence across multiple states in India, positively impacting the lives of millions of people through its outreach and services.

Led by an exceptional team under the guidance of Mr. Deepak Amin, Promoter and Managing Director, the Company is driven by a vision to create meaningful change and set new benchmarks in the industry.

With a relentless commitment to execution excellence, Light is well positioned to strengthen its leadership in the sector and continue transforming the financial landscape of India.

Vision

To be a trusted leader in financial services.

Mission

To develop highly reliable, high-touch, and scalable financial products and services through the innovative, efficient, and effective mobilization of capital and deployment of technology, thereby enabling the economic and social growth of our customers.

Values

We at Light come from diverse backgrounds and different corners of India, united by a shared purpose - to facilitate economic improvement in the lives of millions of underprivileged families who have so far not received their due share of opportunity.

While we are diverse in our experiences and perspectives, we are deeply aligned in our values, which we respect and uphold every day. These shared values guide us in our collective journey toward achieving our mission.

CULTURE
AT FINANCIAL STATEMENTS LIGHT.

We firmly believe that work must be enjoyable to deliver meaningful results. We take pride in every achievement - big or small - and celebrate each milestone along the way. In doing so, we also make space for joy, laughter, and a positive work culture that keeps us motivated and connected.

Enjoy Every Moment of Our Work

Do the Right Thing, Be Ethical and Demonstrate Integrity

We believe in doing what is right, as only then can we expect to be treated in the same way. Integrity is at the core of everything we do. We strongly encourage, respect, and reward fair, transparent, and ethical conduct in every aspect of our work and life.

We are committed to seeing our people grow and take on greater responsibilities within the organization. We actively support and facilitate this growth journey. At the same time, we believe that growth must be earned through consistent performance, adherence to our values, and a strong commitment to delivering quality services with excellence.

Respect and Reward Performance

Respect Individuals

People are our most valuable asset. We care for, respect, and treat our colleagues and customers with compassion, while continuously striving for the well-being and upliftment of the communities we serve.

Openness to learning from others, along with a proactive approach to mentoring those who need guidance, is central to who we are. We encourage the free flow of knowledge and ideas across the organization, enabling us to think and act as one cohesive team. We also value creativity and remain open to new ideas that can help us better serve our customers and continuously improve our way of working.

Be open to Mentoring, Learning and Innovating

Respect time

Time may be money, but more importantly, delays cause inconvenience. We ensure that we commit only to what we can deliver, and we deliver on every commitment—on time.

What makes Light a solid player in the microfinance sector

Mission: To develop highly reliable, high-touch, and scalable financial products and services through the innovative, efficient, and effective mobilization of capital and deployment of technology, thereby enabling the economic and social growth of our customers.

Team: Our team comes from diverse cultural backgrounds, united by a singular commitment to serving the underprivileged. Together, we bring an exceptional blend of energy and excellence in delivering services directly at our customers' doorsteps.

Customers: Our customers' needs help us stay connected to the pulse of the market, continuously fueling our passion to meet their requirements and build long-lasting, mutually beneficial relationships.

Technology: We have harnessed the seamless potential of technology to reach closer to our customers, creating a more satisfying experience and delivering peace of mind.

Perserverance: Challenges are viewed as opportunities for growth. Our tenacious spirit, grounded in patience and perseverance, continuously drives us forward on our enduring journey of service to humanity.

ACHIEVEMENTS:

- Digital collections witnessed strong traction during the year, scaling up significantly from 37.6% at the beginning of the year to 58.9% by March 2026, reflecting improved customer adoption and operational efficiency.
- The in-house application, Light Money, continued to gain momentum, reaching 119,905 installations by March 2026, strengthening our digital engagement with customers.
- Digital lending, which was piloted in FY25, gained meaningful traction in FY26, with disbursements increasing to 213.2Cr in FY26 as compared to 4.16 Cr in FY25, marking a key step towards building a scalable digital credit platform.
- We also launched a pilot for individual lending during the year and disbursed 25.76 Cr in FY26, expanding our product suite.
- To further strengthen risk management and on-ground controls, we have established a dedicated risk role at each branch (Assistant Risk Officer – ARO), enhancing monitoring, credit discipline, and early risk identification.

FROM
THE
DESK
OF
OUR
LEADERS

Dear Partners in Progress,

The financial year 2025–26 was a defining year for the microfinance industry. Over the last two years, the sector has gone through a period of correction after witnessing rapid growth in earlier years. Increased regulatory oversight, tighter credit discipline, borrower overleveraging in certain regions, and pressure on collections affected the overall industry during the year. Many institutions focused less on aggressive expansion and more on strengthening portfolio quality and operational controls.

At the same time, the sector also showed signs of stabilisation. Asset quality across several geographies gradually improved, and institutions with disciplined underwriting, strong field processes, and customer-focused operations continued to perform relatively better than the industry average. The industry also witnessed growing adoption of digital tools, stronger governance practices, and increasing focus on responsible lending.

Against this backdrop, Light continued to remain focused on building a stable and responsible institution. Our approach has always been guided by long-term thinking rather than short-term growth. We believe that in businesses like ours, consistency, discipline, and trust matter more than speed alone.

One of the strongest pillars of our Company continues to be our people. **I have always believed that the real strength of Light lies in the commitment of our teams working across branches and communities every day.** During the year, our employees worked in demanding conditions while continuing to maintain close engagement with customers and ensuring operational discipline. Their efforts helped the organisation remain stable during a challenging period for the sector.

We also invested significant effort in strengthening internal processes and monitoring systems. As the industry evolves, stronger controls and better execution become essential. During FY 2025–26, we focused on improving branch-level monitoring, streamlining operational processes, strengthening collections discipline, and reducing manual dependency through technology-led systems. **These measures are helping us improve efficiency, decision-making, and portfolio oversight across the organisation.**

As part of our long-term vision, we are steadily moving towards a technology - first organisation, where operational agility, faster decision-making, and customer responsiveness are supported by practical and scalable digital solutions.

Compliance and governance continued to remain areas of high importance for us. **The microfinance sector is entering a phase where transparency, customer protection, and responsible lending practices will de. ne long-term credibility.** We continued to strengthen our internal audit mechanisms, compliance monitoring, and risk management practices in line with regulatory expectations and industry standards.

The year also highlighted how rapidly customer behaviour is changing. Customers today expect faster services, transparent communication, flexible repayment options, and simple digital experiences. Keeping this in mind, we continued to focus on improving customer experience and introducing products suited to evolving customer requirements. **Our efforts remained centred on supporting small entrepreneurs, self-employed individuals, and underserved households with practical financial solutions.**

Technology is also becoming increasingly important in the microfinance business. Across the industry, digital adoption has accelerated significantly, from onboarding and verification to collections and customer servicing. At Light, we continued to strengthen our digital capabilities through geo-tagging, geo-mapping, automated monitoring systems, and real-time operational dashboards. **We have also started exploring the use of Artificial Intelligence and data-driven analytics to improve monitoring, strengthen risk assessment, and support better operational decision-making.** While technology is improving efficiency and risk management, we continue to believe that the human connection between field teams and customers remains equally important in this business.

We also believe that the future of financial services will increasingly belong to institutions that adopt a technology-first approach while maintaining strong customer relationships and disciplined governance standards.

India's microfinance sector continues to play a meaningful role in financial inclusion, supporting millions of households and micro-entrepreneurs across the country. Even during a period of moderation, the industry continues to serve a very large customer base across districts and rural markets. **We believe the long-term opportunity for responsible financial institutions in India remains strong.**

Looking ahead, our priorities are clear — maintaining portfolio quality, strengthening customer trust, investing in people, improving productivity, deepening compliance standards, and continuing practical digitization across operations. **We will continue to focus on stable and responsible growth while remaining cautious and disciplined in our approach.**

I would like to express my sincere gratitude to our employees, customers, lenders, investors, Board Members, regulators, and all stakeholders for their continued trust and support. Their confidence motivates us to continue building a stronger and more resilient institution.

Together, we will continue to create opportunities, support livelihoods, and contribute meaningfully to financial inclusion in India.

Warm Regards,

Deepak Amin

Managing Director

Dear Friends,

I hope all of you and your families are doing well.

Over the past few years, the microfinance sector has gone through multiple phases of rapid growth, changing customer behaviour, regulatory evolution, and operational challenges. At Light, these experiences have strengthened our belief that long-term success is built not only through growth, but through discipline, adaptability, and strong execution.

FY 2025–26 was a year of **strengthening our foundation while preparing the organisation for the next phase of sustainable growth.** While the external environment continued to remain dynamic, our focus stayed firmly on portfolio quality, operational efficiency, and customer-centric innovation.

One of our key priorities during the year was **strengthening collections across the organisation.** Our teams worked tirelessly on the ground to improve repayment discipline, deepen customer engagement, and ensure better monitoring and follow-up mechanisms. I am proud of the commitment shown by our employees, especially our frontline teams, who continued to perform with resilience and dedication in a challenging operating environment.

At the same time, we accelerated our journey towards digital collections and process automation. The adoption of the **"LightMoney" App and UPI-led repayment solutions** continued to increase steadily during the year. Customers are now increasingly comfortable using digital repayment channels, which has improved convenience, transparency, and collection efficiency. We believe this transition towards technology-enabled collections will continue to strengthen operational scalability in the years ahead.

Another important focus area during the year was the **automation of core operational processes for much better efficiency and control.** Across functions, we continued to simplify workflows, reduce manual intervention, and improve turnaround timelines through technology integration. These efforts are helping us create a stronger operating framework that is agile, scalable, and better prepared for future growth.

From a business perspective, we also made encouraging progress towards diversification. During the year, we continued **scaling our Individual Loan portfolio** while simultaneously initiating a **pilot for Secured Loans** as part of our broader strategy to build a well-diversified and balanced business model. We believe this approach will help us address evolving customer requirements while maintaining prudent risk management practices.

Even as we continue to strengthen technology and automation, **our core philosophy remains unchanged - relationships, trust, and responsible lending will always remain at the heart of our business.** Technology is an enabler, but the real strength of Light continues to come from the dedication of our people and the trust of the communities we serve.

Looking ahead, we remain optimistic about the opportunities before us. Our priorities will continue to centre around **portfolio resilience, operational excellence, disciplined growth, and deeper digital integration.** We will continue investing in systems, processes, and people to ensure that Light remains future-ready while continuing to create meaningful impact for all stakeholders.

I would like to sincerely thank our Board members, lenders, investors, regulators, and business partners for their continued trust and guidance. Most importantly, I express my heartfelt appreciation to all our employees whose commitment and hard work continue to drive the organisation forward every single day.

The journey ahead will undoubtedly bring new opportunities and new challenges. However, with the strong foundation we are building, I remain confident that Light is well-positioned to continue creating sustainable value and empowering the communities we proudly serve.

Yours sincerely,

Rakesh Kumar

Chief Executive Officer & Executive Director

Dear Shareholders, Partners, and Well-wishers,

FY2025–26 was, by any measure, one of the most demanding years the microfinance sector has faced in recent memory. The industry grappled with a severe stress cycle across asset classes, driven largely by over-lending, and a consequent erosion of repayment discipline across several geographies. The year ended with more uncertainty brewing due to intense geopolitical activity in the Middle East.

The sector contracted 13.1% during the year. Light Finance was not insulated from these headwinds as our AUM declined 15.5%. I write to you today not to minimise that reality, but to explain with transparency the choices we made in navigating it - and why I believe those choices have positioned us for a more resilient and purposeful future.

The most consequential story of this year is one of asset quality. Even as our book contracted, we maintained below industry delinquency levels — a distinction that does not happen by accident. The trajectory reflects a disciplined approach to collections, credit quality control, and the early decisions we made to stop growing for growth's sake. Alongside credit discipline, we focused on systematically rationalising operating expenditure – a set of actions immensely complex in a highly dynamic market situation. From peak quarterly Opex of Rs. 6,919 lakhs in Q4FY25 against a declining AUM - we took incisive decisions, that continue to be implemented in FY27, to restructure from the ground up and over the course of FY26, we reduced quarterly Opex to Rs. 4,637 lakhs by the third quarter, a reduction of over 33% from peak. This was achieved through tough structured sequence of actions: halting incremental hiring, renegotiating vendor agreements, optimising field routes and consolidating 15 branches, and most importantly, building a performance-driven culture. Our total staff has been reduced by 36% from peak. These are not numbers I share without acknowledgement of the human cost involved - but they reflect the resolve required to rebuild Light on foundations that are operationally sound and financially sustainable. Amidst these challenges, we did not stop innovation. We initiated a mission to digitize collections to develop a strengthened collections framework and redefine lending business in the Group Lending segment. By March 2026, we had achieved 40%+ direct digital repayments from our customers – a first in this segment.

Even as we consolidated our core Group Lending portfolio, we have been quietly building the next chapter of Light. Our Digital Lending vertical, which was in early trials through FY25, has undergone a remarkable acceleration in FY26. Disbursements crossed Rs. 10,704 lakhs in Q4FY26 alone, with AUM reaching Rs. 12,901 lakhs — representing sequential quarterly growth in excess of 76% in the most recent quarter. With 13 lending partners, and the borrower base expanding from 403 in FY25 to over 26,000 by March 2026, Asset Quality remains strong. I am particularly encouraged that this business was built with discipline - asset quality was not sacrificed in pursuit of volume.

Our Unsecured Business Loan product, launched as pilot in FY25, has scaled with similarly encouraging momentum. The AUM has grown from Rs. 18 lakhs in FY25 to Rs. 2,643 lakhs by March 2026. We have expanded the business loan presence to 43 branches, and our client base now stands at 2,616. Critically, asset quality in this book remains pristine — PAR 90+ stands at 0.1% at March 2026. These two new verticals are not peripheral experiments; they represent our conviction that the households and micro-entrepreneurs we serve have financial needs that extend well beyond the group loan product, and that Light is determined and uniquely placed to serve those needs with both reach and trust.

As I look ahead to FY2026–27, I do so with both sobriety and conviction. The sector's reset is not yet complete - some geographies will take longer to heal, and the regulatory environment continues to evolve in ways that require our close and proactive engagement. But Light enters the new year leaner and stronger, with a team that has been tested and recalibrated through one of the hardest periods in this industry's recent history and focused to continuously innovate and deliver industry defining services to our customers.

I want to express my deep gratitude to our borrowers — nearly 4 lakh households - who continue to engage with us and empower us with their trust. I thank our lenders and investors for their continued confidence through a period that tested conviction. I thank the Light team - in the field and across our offices - for the resilience and commitment they have shown. And I thank our Board for the guidance, oversight, and candid counsel that has helped us navigate this year with integrity.

We remain committed to the mission that founded this institution: expanding access to responsible financial services for underserved households across India. That mission is as relevant today as it has ever been. And we are more resolved than ever to fulfil it with excellence.

Yours sincerely,

Aviral Saini

[Chief Financial Officer & Executive Director]

Diwali Celebration

Town Hall

Navratri Celebration

Blood Donation

Light Premiere League

Light Premiere League

CSR

Light
Finance. Simple.
एक ही इच्छा, सबको शिक्षा

About this **Report**

Light is more than an organization; it is committed to creating meaningful change in the lives of individuals and communities across various regions of India. Guided by a strong belief in inclusive growth and social responsibility, the company continues to work towards building a better, more sustainable future for humanity.

This report presents the key Corporate Social Responsibility (CSR) initiatives undertaken by Light during FY 2025–26, re. ecting its continued commitment to creating positive social impact. Through these initiatives, the company has reached and supported over 17,500 individuals across 36+ villages in 9 states, strengthening communities and improving lives at the grassroots level.

The CSR efforts of Light are focused on four key pillars - Education, Healthcare, Women Empowerment, and Environment - with the objective of improving access to essential resources, creating opportunities for growth, and promoting dignity and well-being for all.

This report captures the journey, impact, and commitment of Light in contributing towards a more inclusive, equitable, and empowered society.

Light remains steadfast in its commitment to Corporate Social Responsibility (CSR), with a focused approach towards sustainable and inclusive development through impactful interventions across its key priority areas. The Company's CSR initiatives are designed to create long-term social value by strengthening access to education, healthcare, hygiene and sanitation, women empowerment, and environmental sustainability.

In the area of education, Light continues to support children by providing access to essential learning tools, resources, and knowledge, enabling them to build a stronger foundation for the future. Through its healthcare initiatives, the Company strives to improve access to preventive and curative healthcare services, particularly for underserved communities. Its hygiene and sanitation programs aim to promote healthier living practices and improve community well-being, while its women empowerment initiatives focus on creating opportunities for women to become self-reliant and active contributors to society.

During the year under review, the Company further strengthened its healthcare interventions by introducing the distribution of TB Nutrition Kits to support patients in their recovery by addressing essential nutritional requirements. In addition, Light expanded the scope of its CSR framework by formally including environmental sustainability as a key focus area and undertaking tree plantation drives to promote ecological balance and contribute towards a greener future.

Over the years, Light's community engagement and CSR initiatives have witnessed significant growth in both scale and impact. In the last five years alone, the Company has positively impacted the lives of more than 70,000 individuals, reaffirming its commitment to building stronger communities and creating sustainable social impact.

Our Programmes

1. Ek Hi Iccha, Sabko Shiksha (Education):

Light believes that education is the cornerstone of a progressive and empowered society. Through its flagship education initiative, Ek Hi Iccha, Sabko Shiksha, the company is committed to addressing the diverse educational needs of children across rural and urban communities. The program focuses on improving access to learning resources, building awareness, and creating a safe and supportive environment for children to grow and succeed. Through its focused interventions, the program aims to ensure that every child gets an equal opportunity to learn and build a better future.

The program includes the following key projects:

- **Badhte Kadam:** This initiative supports children by providing essential stationery kits, helping bridge resource gaps and enabling uninterrupted learning for students from underserved communities.
- **Anmol Angan:** Focused on adolescent girls, this project addresses menstrual health and hygiene through interactive awareness sessions, helping break social taboos and equipping them with the right knowledge and resources.
- **Safe Harbour:** Designed for children aged 5–10 years, this initiative promotes personal safety awareness through engaging workshops, songs, role-plays, and activities, enabling children to understand the difference between safe and unsafe touch and encouraging open communication.
- **Educational Motivation:** Motivational and awareness sessions were conducted to encourage students to stay focused on their educational goals, while helping them identify and overcome challenges and distractions that may impact their academic journey.

2. Nirog (Health):

Light believes that good health is essential for the well-being and development of individuals and communities. Through its Nirog initiative, the company works towards improving access to healthcare by organizing eye check-up camps and general health camps in remote villages, ensuring that essential healthcare services reach those who need them the most.

3. Nutrition Kits distribution:

During the year, Light introduced the distribution of TB Nutrition Kits as a new CSR initiative, aligned with the Hon'ble Prime Minister's vision of a TB-Free India. The initiative aims to provide nutritional support to tuberculosis patients, contributing to their recovery and strengthening the larger national mission towards eliminating TB.

4. Tree Plantation (Environment):

As part of its growing commitment to environmental sustainability, Light undertook its first tree plantation drive during the year. This initiative marks an important step towards promoting ecological balance, creating greener surroundings, and building awareness about the importance of environmental conservation for future generations.

Future Focus

At Light, Corporate Social Responsibility is viewed as an ongoing commitment rather than a one-time effort. Building on the progress made so far, the organization remains focused on strengthening and expanding its initiatives to create deeper and more sustainable social impact. Going forward, the key focus areas will include:

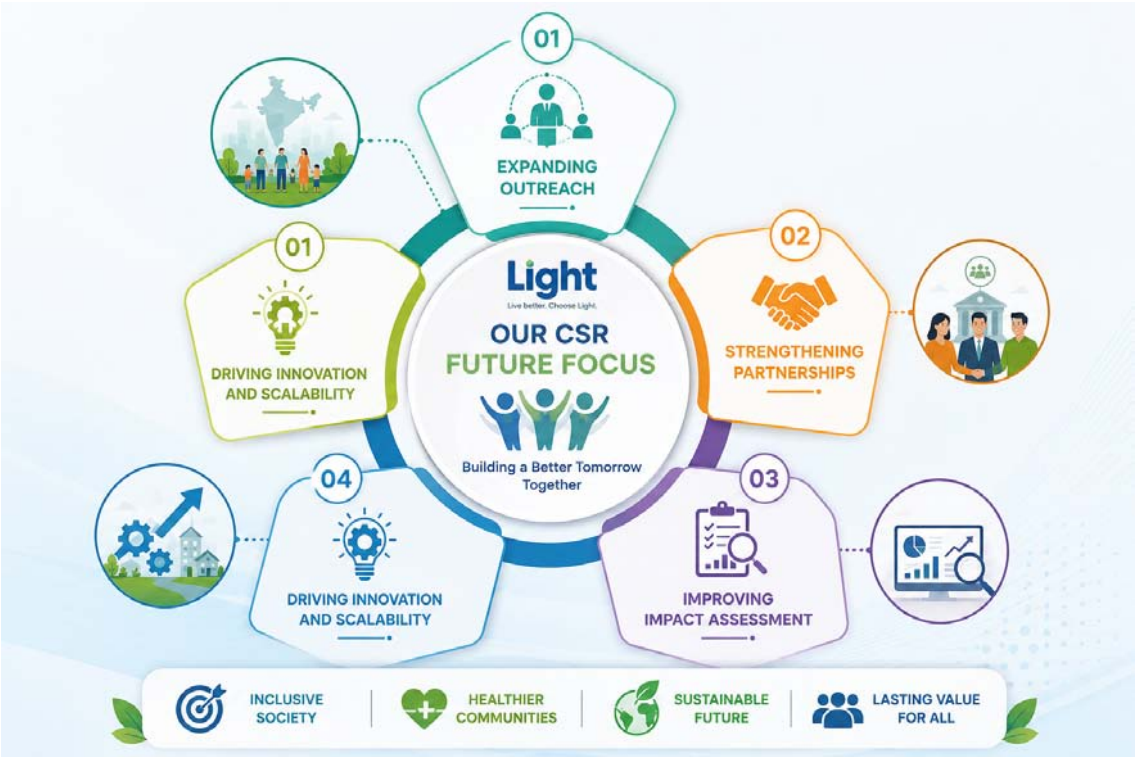
Expanding Outreach: Light aims to broaden the reach of its CSR interventions by extending its existing programs across all nine operational states. This expansion will enable the organization to connect with more communities and address a wider range of social needs.

Strengthening Partnerships: Collaboration remains central to creating meaningful change. Light will continue to build stronger partnerships with NGOs, government bodies, and like-minded institutions to enhance program effectiveness and reach more beneficiaries across the country.

Improving Impact Assessment: To ensure that every initiative delivers measurable and meaningful outcomes, Light will further strengthen its monitoring and evaluation processes. This will support better decision-making, timely improvements, and greater transparency in impact delivery.

Driving Innovation and Scalability: Light is committed to adopting innovative and practical solutions to address evolving social challenges. The focus will be on developing scalable models that can be adapted and implemented across different communities for long-term impact.

With this forward-looking approach, Light remains committed to creating lasting value for communities and contributing towards a more inclusive, healthier, and sustainable future.



Our Outreach

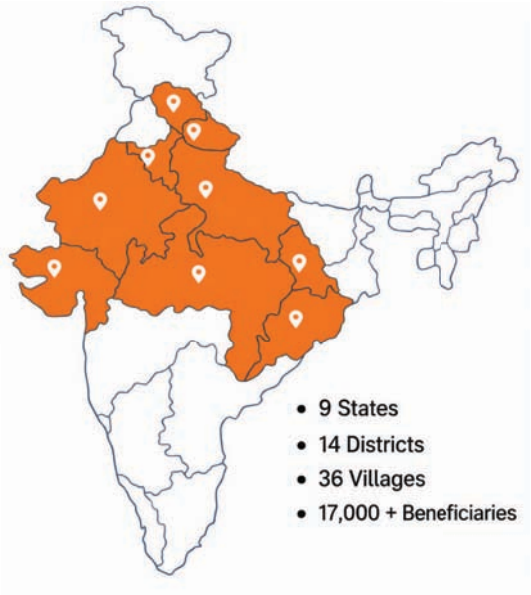
Amid changing expectations and marketplace shifts, the company is maintaining its focus on advancing action together, achieving collective progress and contributing to sustainability and community development. This helps the company achieve its CSR goals while benefiting individuals, the planet and local communities.

During the financial year 2025–26, Light's community engagement initiatives entered their fifth year, continuing to focus on key areas such as education, health, WASH (Water, Sanitation, and Hygiene), and women's empowerment.

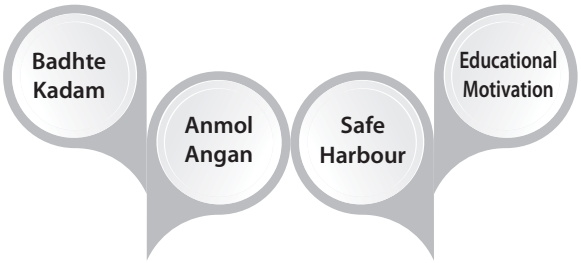
This year, for the first time, the company expanded its CSR efforts by introducing the distribution of TB Nutrition Kits and organizing a tree plantation drive to address emerging health and environmental needs.

These initiatives have created a meaningful and lasting positive impact on the communities around our areas of operation and have expanded significantly across the states of Gujarat, Rajasthan, Haryana, Madhya Pradesh, Himachal Pradesh, Uttarakhand, Uttar Pradesh and Odisha.

The company's reach extends to the remotest corners of rural India addressing acute developmental needs. Thus, the commitment goes beyond numbers, aiming for enduring change and community empowerment.



Ek Hi Iccha, Sabko Shiksha



Educating children is paramount for India's social progress. Despite financial limitations and infrastructural gaps, initiatives like free schooling and community programs bridge this divide. Scholarships and vocational training offered through private and public partnerships further empower children to break the cycle of poverty. Light, emphasizing holistic development and inclusivity, aims to nurture future leaders and innovators. These efforts contribute to unlocking India's potential while fostering equality and opportunity for all.

Ek Hi Iccha, Sabko Shiksha, launched in 2021-22, is a cornerstone program of Light's CSR initiatives. Designed to provide educational assistance and support to children in rural and urban India, the program prioritizes ensuring every child has access to and completes formal education.

This year, the program comprised three projects: Badhte Kadam (stationery distribution), Anmol Angan (mensuration awareness program for teenage girls) and Safe Harbour (safe and unsafe touch awareness program for children between age group of 5 years to 10 years). Implemented across 13 schools and four Anganwadis across Guna (Madhya Pradesh), Alwar (Rajasthan), Dahod (Gujarat) and Kaithal (Haryana), these projects empower children with the skills and knowledge needed for fulfilling lives and positive societal contributions. Overall, the program represents a significant step towards achieving universal education in India and creating a brighter future for generations to come.

Project: Badhte Kadam

In India, raising awareness about menstrual health is crucial for the overall empowerment and well-being of women. Cultural taboos and societal stigmas often hinder open discussions on reproductive health and rights. However, through educational campaigns, workshops and accessible healthcare services, rapid strides are being made to break barriers.

OBJECTIVE: Many children in rural India face significant barriers to a quality education, often due to limited resources. One major obstacle is the lack of basic school supplies, which can hinder a child's ability to participate actively in their education.

FOCUS: Our project recognizes that seemingly simple items like notebooks and pens play a critical role in supporting a child's learning journey. Without these essential tools, children struggle to practice their skills, complete assignments and fully engage in classroom activities. This project specifically targets rural government schools, where students often come from lower socio-economic backgrounds and may lack access to these resources at home.

PROJECT DETAILS: The company provided age-appropriate and high-quality stationery kits for each child, including essential items like notebooks, pens, pencils, sharpeners, erasers and drawing books.

IMPLEMENTATION & IMPACT: In the 2023-24 academic year, the program reached a total of 5,695 students across 13 rural government schools and 4 Anganwadis (early childhood care centers). The impact of this initiative has been truly remarkable, exceeding our expectations. The company observed increased classroom participation, improved homework completion rates and a greater sense of enthusiasm for learning among the students.

Project: Anmol Angan

In India, raising awareness about menstrual health is crucial for the overall empowerment and well-being of women. Cultural taboos and societal stigmas often hinder open discussions on reproductive health and rights. However, through educational campaigns, workshops and accessible healthcare services, rapid strides are being made to break barriers.

OBJECTIVE: Project Anmol Angan under Ek Hi Iccha, Sabko Shiksha focuses on WASH and works towards that aim. In rural India, the threshold of womanhood can be shrouded in secrecy and shame, leaving many young girls unprepared and vulnerable. Menstruation, a natural biological process, is often wrapped in layers of misinformation and cultural taboos. This lack of knowledge and open communication can lead to confusion, anxiety and even harmful health practices.

FOCUS: Anmol Angan empowers adolescent girls by equipping them with the knowledge, confidence and life skills they need to navigate this critical phase. The program recognizes that adolescence is a whirlwind of physical and emotional changes. Girls in rural communities often have limited access to accurate information and open communication, leaving them grappling with unanswered questions and anxieties about the following issues:

Menstruation: Myths and misconceptions creating confusion and shame around a natural biological process.

Evolving Bodies: Understanding and accepting physical changes is crucial for building self-esteem and confidence.

PROJECT DETAILS: The initiative recognizes these needs and through awareness sessions, provides a safe and supportive space for girls to understand and deal with the various issues mentioned below.

Experienced female instructors from non-profit Ahmedabad Women's Action Group (AWAG) facilitated interactive sessions, addressing myths and misconceptions surrounding menstruation, reproductive health and personal hygiene in a clear and age-appropriate manner.

Open discussions and activities created a safe space for girls to express their concerns, ask questions and develop a healthy understanding of their bodies and choices.

The project emphasizes the importance of adopting hygienic practices during menstruation to prevent infections and maintain well-being. Girls learnt about proper sanitation methods and menstrual hygiene products.

IMPLEMENTATION & IMPACT: Community Change: As girls become ambassadors of positive practices and informed advocates for themselves, they contribute to a shift in community attitudes towards menstruation. By openly discussing their experiences they break the cycle of silence.

Healthier Families: The project emphasized on hygiene and well-being empowering girls to make informed choices about their health, potentially impacting future generations by promoting healthy practices within their families.

Breaking the Cycle of Poverty: Education and empowerment improve girls' life opportunities. By staying healthy and attending school, they are better equipped to pursue their education, find employment and contribute to their communities, breaking the cycle of poverty.

Project: Safe Harbour

Despite growing awareness, the prevalence of child sexual abuse issues underscores the urgency for comprehensive solutions. As Light navigates through society, understanding the complexities of this issue becomes paramount for formulating effective strategies for prevention and intervention.

OBJECTIVE: India's children face a harrowing reality, one marred by the chilling statistic of a sexual abuse incident every 15 minutes. With 85% of perpetrators known to the victim and only 25% of the victims finding the courage to speak up, the need for proactive measures becomes stark. Light's CSR project Safe Harbour rises to this challenge, steering the ship towards a safer future through awareness sessions.

FOCUS: The initiative aims to protect children from exploitation and provide a safe environment for their physical and emotional well-being. Through education, awareness campaigns and community engagement, the company strives to empower children with knowledge and resources to recognize and report abuse. Thus, the initiative seeks to create a society where every child is safe, respected and able to thrive.

IMPLEMENTATION & IMPACTS: The project's unique features are listed below.

Sailing into Rural Schools: These interactive awareness sessions transform into havens of knowledge and empowerment, reaching children aged 5-10 years, a vulnerable yet crucial phase in their journey towards independence. Conducted in the children's native language, these sessions bridge communication gaps, ensuring every child is equipped with the necessary understanding.

Interactive Anchors: Engagement is the lifeblood of "Safe Harbour." The awareness sessions are brimming with activities that make learning fun and impactful. Children sing songs, participate in role-plays and engage in games, all carefully designed to solidify the concepts of safe and unsafe touch. This interactive approach fosters understanding, confidence and critical thinking skills.

Visual Beacons: Visual aids play a vital role in reinforcing the message. Captivating films and colourful posters capture the children's attention, while illustrated booklets provide a tangible resource for continued learning beyond the session. These visual anchors create a lasting impression, ensuring the message resonates long after the session concludes.

Planting Seeds of Resilience: The knowledge imparted in these workshops goes beyond mere awareness. It empowers children to become active participants in their safety. They learn to identify safe and unsafe touch, understand their right to say 'no' and gain the confidence to seek help whenever needed. This ripple effect of empowerment extends beyond the individual, creating a wave of awareness within their communities, challenging harmful norms and fostering a culture of protection.

A Brighter Horizon: The project envisions a future where India's rural landscapes transform into safe havens for children, where fear is replaced by empowerment and the joy of childhood blossoms freely. By nurturing young minds with the knowledge and tools they need to navigate their world safely, the project paves the way for a brighter tomorrow, where every child can thrive, away from the shadow of abuse hovering over them.

Project: Educational Motivation

In rural and semi-urban India, students often face multiple academic and personal challenges that can affect their learning journey and overall development. Lack of awareness, limited guidance and external distractions can hinder their ability to stay focused on their goals. However, through structured awareness sessions and motivational initiatives, efforts are being made to guide students towards a more confident and goal-oriented future.

OBJECTIVE: The Educational Motivation initiative under Project Anmol Angan focuses on inspiring students to identify their goals, build self-confidence and develop a positive mindset towards learning and personal growth. It aims to help students understand the importance of education while also making them aware of common obstacles such as lack of focus, peer pressure and distractions that may impact their academic performance.

FOCUS: The sessions are designed to empower students by equipping them with motivation, clarity and life skills required during their learning journey. The program recognizes that students often struggle with concentration, self-doubt and external influences. Key focus areas include:

Goal Setting: Helping students define clear academic and personal goals.

Self-Awareness: Encouraging students to understand their strengths and areas of improvement.

Overcoming Distractions: Guiding students to identify and manage factors that hinder focus and learning.

Positive Mindset: Building confidence and resilience to handle academic and personal challenges.

PROJECT DETAILS: The initiative addresses these needs through interactive awareness sessions conducted in an engaging and student-friendly manner. Experienced facilitators conduct discussions, motivational activities and practical exercises to help students stay focused on their goals.

Students are encouraged to openly share their challenges, ask questions and participate in group activities that build confidence and clarity.

The sessions also emphasize discipline, consistency and the importance of education in shaping a better future, while providing simple strategies to overcome distractions and stay motivated in their academic journey.

IMPLEMENTATION & IMPACT:

Goal Clarity & Motivation: Students were guided to identify their personal and academic goals, helping them build clarity, focus and a sense of direction in their learning journey.

Self-Confidence Building: Interactive sessions encouraged students to believe in their abilities, develop self-confidence and adopt a positive mindset towards challenges.

Overcoming Obstacles: Students were sensitized to recognize common barriers such as lack of focus, peer pressure and distractions, and were provided simple strategies to manage them effectively.

Improved Focus & Discipline: The sessions emphasized the importance of discipline, consistency and time management in achieving academic success.

Holistic Development: Along with academic motivation, students were encouraged to develop life skills that support both personal growth and future opportunities.

1. **14000 Beneficiaries**
   Children were provided with stationery kits comprising notebooks, pencils, drawing books and crayons.
   Badhte Kadam

2. **2332 Beneficiaries**
   Light's first WASH initiative empowering rural girls through menstrual awareness and education, while addressing misinformation.
   Anmol Angan

3. **1688 Beneficiaries**
   A child protection program that educates and empowers children aged 5–10 in rural schools to recognize and report sexual abuse.
   Safe Harbour

4. **181 Beneficiaries**
   Awareness sessions were conducted to inspire students to achieve their goals and help them overcome obstacles and distractions in their learning journey.
   Educational Motivation

Locations

9 States | 14 Districts

The program was implemented across
- Gujarat
- Rajasthan
- Madhya Pradesh
- Uttar Pradesh
- Jharkhand
- Himachal Pradesh
- Odisha
- Uttarakhand, and
- Haryana.

Project: Nirog

In rural areas, most people rely heavily on their physical well-being to earn a living by performing manual agricultural tasks despite limited healthcare resources. A healthy populace enables communities to thrive economically, ensuring continuity in farming practices and contributing to food security.

Moreover, good health reduces healthcare expenses, allowing families to allocate resources towards education and other essential needs, uplifting rural economies sustainably. Therefore, adequate healthcare services are paramount and Nirog is Light's attempt to address this concern.

OBJECTIVE: Nirog is a health program that focuses on improving the health and well-being of people in India's rural and urban areas. The program's primary goal is to provide access to healthcare services and support to individuals with inadequate resources or access to healthcare facilities. The program emphasises preventive healthcare opportunities to help people maintain good health and prevent the onset of diseases. This approach is critical in addressing health disparities, particularly in underserved areas with limited access to healthcare services.

FOCUS: The initiative recognises the importance of good health in promoting overall well-being and quality of life. It aims to ensure that everyone, regardless of socio-economic background or geographic location, has access to healthcare services to lead a happy, healthy and prosperous life.

PROGRAM FEATURES: Nirog includes several aspects, such as health check-up camps, vision screening and free distribution of spectacles. These components work together to provide comprehensive support to rural people, addressing their diverse health needs and challenges.

IMPLEMENTATION & IMPACT: By providing access to healthcare services and support, Nirog empowers individuals and communities to take charge of their health and well-being, leading to increased productivity and a better quality of life. Overall, the program represents a significant step towards achieving universal healthcare in India and creating a healthier future for future generations.

Project: Nirog Poshan (TB Nutrition Kit Distribution)

Despite ongoing efforts to improve healthcare access, tuberculosis (TB) continues to be a major public health challenge in India, particularly in underserved communities where nutrition plays a critical role in recovery. Recognizing this gap, Light introduced a focused intervention to support TB patients beyond medical treatment, providing nutrition kits to 68 patients.

OBJECTIVE: Aligned with the Hon'ble Prime Minister's vision of a TB-free India, the objective of this initiative is to support TB patients by addressing their nutritional needs, which are essential for faster recovery and improved immunity. The project aims to complement ongoing medical treatment with proper nutrition support, especially for economically vulnerable patients.

FOCUS: The initiative focuses on strengthening healthcare outcomes by providing TB Nutrition Kits to patients in need. It emphasizes improving recovery rates, enhancing overall well-being, and raising awareness about the importance of nutrition in TB treatment.

IMPLEMENTATION & IMPACT:

The project's unique features are listed below:

Reaching the Needy: TB Nutrition Kits are distributed to identified patients in rural and underserved areas with the help of Deepak Foundation, ensuring support reaches those who need it the most.

Nutritional Support: Each kit is thoughtfully designed to include essential food items that help boost immunity and support the recovery process.

Collaborative Effort: The initiative is implemented in coordination with local health authorities like Deepak Foundation and community stakeholders, ensuring proper identification and distribution.

Improving Recovery Outcomes: By addressing nutritional deficiencies, the project contributes to better treatment adherence and faster recovery among patients.

Spreading Awareness: Along with distribution, awareness is created about TB, its treatment, and the importance of proper nutrition, helping reduce stigma and misinformation.

Towards a Healthier Future: Through this initiative, Light aims to contribute meaningfully to the national mission of eliminating TB and building healthier communities.

Eye testing
15,895

5847
Hemoglobin Screening

10880
Spectacles distributed

4596
Hypertension screening

5848
Hyperglycemia screening

Project: Harit Sankalp (Tree Plantation Drive)

With increasing environmental challenges such as climate change and deforestation, the need for collective action towards sustainability has become more important than ever. Taking a step in this direction, Light introduced its first environmental initiative under CSR through a tree plantation drive, planting over 1,000 saplings, along with the donation of a RO water cooler at Sundarvan, Ahmedabad to support community welfare and promote access to clean drinking water.

OBJECTIVE: The objective of the project is to promote environmental sustainability by increasing green cover, improving air quality, and creating awareness about the importance of ecological balance among communities.

FOCUS: The initiative focuses on tree plantation and environmental awareness, encouraging community participation to build a sense of responsibility towards nature and future generations.

IMPLEMENTATION & IMPACT:

The project's unique features are listed below:

Planting for the Future: Tree plantation drives are conducted across operational areas, contributing to increased green cover and environmental conservation.

Community Participation: Employees and local communities actively participate in the initiative, fostering collective responsibility and ownership.

Environmental Awareness: The program spreads awareness about the importance of trees, biodiversity, and sustainable living practices.

Long-Term Impact: The initiative is not just about planting trees but nurturing them, ensuring long-term environmental benefits for the community.

Creating Green Habits: By involving people at the grassroots level, the project encourages environmentally responsible behaviour in daily life.

A Greener Tomorrow: Through this initiative, Light takes a meaningful step towards building a sustainable and eco-friendly future.

URBAN FOREST
A CSR initiative of
Light
CSR Partner NGO
Gujarat Rajya Gram Vikas Samiti

URBAN FOREST
A CSR initiative of

BOARD OF DIRECTORS

Mr. Deepak Amin
Managing Director

Mr. Rakesh Kumar
CEO and Executive Director

Mr. Aviral Saini
CFO and Executive Director

Mr. Hiten Parikh
Independent Director

Ms. Daksha Shah
Independent Director

Mr. Paresh Vora
Independent Director

Ms. Lise Lindback
Nominee Director

Ms. Parul Hariharan
Nominee Director

Mr. Arvind Kodikal
Nominee Director

BOARD COMMITTEES as on March 31, 2026

AUDIT COMMITTEE
Mr. Hiten Parikh
Ms. Daksha Shah
Mr.Arvind Kodikal

NOMINATION AND REMUNERATION COMMITTEE
Mr. Hiten Parikh
Ms. Daksha Shah
Ms. Parul Hariharan
Mr. Paresh Vora

RISK MANAGEMENT COMMITTEE
Mr. Deepak Amin
Mr. Rakesh Kumar
Mr. Aviral Saini

IT STRATEGY COMMITTEE
Mr. Paresh Vora
Mr. Deepak Amin
Mr. Rakesh Kumar
Mr. Aviral Saini
Mr. Satish Dhupdale

ASSET LIABILITY MANAGEMENT COMMITTEE
Mr. Rakesh Kumar
Mr. Deepak Amin
Mr. Aviral Saini

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. Deepak Amin
Mr. Rakesh Kumar
Mr. Aviral Saini
Mr. Paresh Vora

SECURITIES ALLOTMENT COMMITTEE
Mr. Deepak Amin
Mr. Rakesh Kumar
Mr. Aviral Saini

INTERNAL COMPLAINTS COMMITTEE
Ms. Varsha Wardhani
Ms. Barkha Singh
Ms. Nidhi Shah
Mr. Pratik Soyantar
Mr. Sanjay Solanki
Ms. Monica Nayak

SHARE TRANSFER COMMITTEE
Mr. Rakesh Kumar
Mr. Deepak Amin
Mr. Aviral Saini

INTERNAL INVESTIGATION COMMITTEE
Mr. Rakesh Kumar
Mr. Deepak Amin
Mr. Aviral Saini
Mr. Pratik Soyantar
Mr. Mukesh Patel
Mr. Sanjay Solanki
Mr. Debashish Mohanty
Mr. Ashutosh Singh

EXECUTIVE MANAGEMENT COMMITTEE
Mr. Rakesh Kumar
Mr. Deepak Amin
Mr. Aviral Saini
Mr. Mukesh Patel

BORROWING COMMITTEE
Mr. Rakesh Kumar
Mr. Deepak Amin
Mr. Aviral Saini

PRODUCT COMMITTEE
Mr. Aviral Saini
Ms. Madhavi Gajjar

CONSUMER PROTECTION COMMITTEE
Mr. Aviral Saini
Ms. Madhavi Gajjar
Mr. Sheetansh Kumar Singh

IT STEERING COMMITTEE
Mr. Aviral Saini
Mr. Satish Dhupdale
Mr. Ashutosh Kumar Singh

INFORMATION SECURITY COMMITTEE
Mr. Aviral Saini
Mr. Satish Dhupdale
Mr. Ashutosh Kumar Singh
Mr. Vishnu Vardan

CORPORATE DETAILS

• Corporate Identication ĀNumber	U67120DL1994PTC216764
• RBI Registration number	B-14.03244
• Registered Office	308 Aggarwal Tower, Plot No.2 Sector – 5, Dwarka New Delhi – 110075
• Corporate Office	1501, 15th Floor, Sankalp Square 3B, Sindhu Bhavan Road, B/s Hotel Taj Skyline, Shilaj, Ahmedabad – 380058
• Email	compliance@lightfinance.com
• Website	www.lightfinance.com
• Contact No.	07940050059
• ISIN	Equity: INE366T01017 **Compulsorily Convertible Preference Shares** Class I INE366T03013 INE366T03039 Class II INE366T03047
• LEI Number	335800PYN5I66BT97U45
• Listed at	BSE Limited through Non-Convertible Debentures

BOARD OF DIRECTORS

Managing Director
Mr. Deepak Amin

Executive Directors
Mr. Rakesh Kumar
Mr. Aviral Saini

Non-Executive Independent Directors
Mr. Anuj Kumar [Ceased w.e.f. 01.12.2025]
Ms. Daksha Shah
Mr. Paresh Vora
Mr. Hiten Parikh [Appointed w.e.f. 30.01.2026]

Nominee Directors
Mr. Aditya Bhandari [Resigned w.e.f. 08.04.2025]
Ms. Parul Hariharan
Mr. Arvind Kodikal
Ms. Lise Lindback [Appointed w.e.f. 27.05.2025]

KEY MANAGERIAL PERSONNEL
Managing Director
Mr. Deepak Amin
Chief Executive Officer
Mr. Rakesh Kumar
Chief Financial Officer
Mr. Aviral Saini
Chief Compliance Officer & Company Secretary
Ms. Madhavi Gajjar

AUDITORS

STATUTORY AUDITOR
M/s Talati & Talati LLP
Chartered Accountants
(FRN.:110758W/W100377)
Ambica Chambers, Near Old High Court, Navrangpura,
Ahmedabad – 380 009, India Tel: 079 2754 4571/72/74
Website: www.talatiandtalati.com

INTERNAL AUDITOR
M/ s Kantilal Patel & Co .
Chartered Accountants
(FRN.:104744W)
KPC House, besides High Court Auditorium Gate,
Sola, Ahmedabad, Gujarat 380060
Website: https://kpcindia.com

INFORMATION SYSTEM AUDITOR
Sumeru Software Solutions Private Limited
1st Floor "Samvit, Near the Art of Living International Center,
21st KM Kanakapura Main Road, Udayapura,
Bangalore – 560082 Karnataka, India
Wesbite: https://inservice.sumeru.com

SECRETARIAL AUDITOR
M/s Keyur J. Shah & Associates
Company Secretaries
[M. No.: F9559 | COP No.: 8814]
1007 & 1003, Sun Avenue One, Near Shreyas Foundation,
Manekbaug Society, Ambawadi, Ahmedabad-380015,
Gujarat, India Website: www.keyurjshah.com

REGISTRAR AND SHARE TRANSFER AGENT DETAILS

Registrar & Share Transfer Agent
MUFG Intime India Private Limited
(Formerly Known as "Link Intime India Private Limited")
C-101, 1st Floor, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083
Toll-free number: 1800 1020 878 (from 10:00 AM to 4:00 PM)
Tel: +91 22 49186060 Website: www.in.mpms.mufg.com

DEBENTURE TRUSTEE

Beacon Trusteeship Limited
5W, 5th Floor, The Metropolitan, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, India, 400051 Phone: 022-46060278
Website: www.beacontrustee.co.in

Catalyst Trusteeship Limited
910-911, 9th Floor, Kailash Building,
26, Kasturba Gandhi Marg, New Delhi –110001
Tel: 011-43029101, Fax: +91 22 4922 0505,Phone No. 011-43029101
Website: www.catalysttrustee.com

CREDIT INFORMATION COMPANIES (CICs)

· CRIF High Mark Credit Information Services Private Limited
· Equifax Credit Information Services Private Limited
· Experian Credit Information Company of India Private Limited
· TransUnion CIBIL Limited

Director's Report

Dear Members,

The Board of Directors (the "Board") takes pleasure in presenting the 32nd (Thirty Second) Annual Report of Light Microfinance Private Limited ("your Company" or "the Company") together with the Audited Financial Statements (standalone and consolidated) ("Financial Statements") for the Financial Year ended March 31, 2026 ("FY 2025-26" or "period under review" or ("Financial year under review"). The Company is registered with the Reserve Bank of India ("RBI") as a Middle Layer Non-Banking Financial Company Micro Finance Institution, (NBFC-MFI)

Further, the Company is a member of the Microfinance Institutions Network (MFIN), a Self-Regulatory Organization (SRO) recognized by the Reserve Bank of India for the microfinance sector. Through its membership with MFIN, the Company reaffirms its commitment to responsible lending practices, high standards of governance, customer protection, and regulatory compliance, while actively aligning with industry best practices and contributing to the sustainable development of the microfinance sector.

❖ BUSINESS OVERVIEW:

FY26 was a year of deliberate consolidation for Light Microfinance, as the Company prioritised portfolio quality and operational efficiency over topline growth amidst a challenging sector-wide environment. With an AUM of Rs. 1,435 Crore and disbursements of Rs. 1,123 Crore across Group, Digital, and Individual Loan verticals, the year reflected a calibrated approach to credit deployment. The Company undertook signicant Āstructural rightsizing — reducing headcount by 36% from peak levels and consolidating branches — driving a meaningful improvement in its Opex-to-AUM ratio. Simultaneously, Light advanced its product diversication Āagenda, scaling Unsecured Individual Loans and piloting its rst Ā Secured Loan product, while digital collections emerged as a transformational operational achievement. With a healthy CRAR of 27.24% and a well-capitalised balance sheet, the Company remained financially resilient through the consolidation phase. As portfolio quality stabilises and borrower demand recovers, Light enters FY27 leaner, more digitally capable, and strategically better positioned for sustainable growth

❖ FINANCIAL SUMMARY & HIGHLIGHTS:

(Amount in ₹ Lakhs)

Particulars	Standalone		Consolidated	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25*
Revenue from Operations	34,163.06	48,190.86	34,163.06	-
Other Income	694.61	1302.15	694.61	-
Total Income	34,857.67	49,493.01	34,857.66	-
Less: Depreciation/ Amortisation/ Impairment	1,155.03	1378.18	1,155.03	-
Less: Finance Costs	17,891.99	20,939.80	17,891.98	-
Less: Other Expenses	30,320.66	26433.97	30,919.68	-
Prot/loss Ābefore Tax Expense	(14,509.04)	741.06	(14,509.04)	-
Less: Tax Expense (Current & Deferred)	(3,785.91)	259.54	(3,785.91)	-
Prot/loss Āfor the year (1)	(10,723.13)	481.52	(10,723.13)	-
Other Comprehensive Income/loss (2)	1,476.70	155.21	1,476.70	-
Total Comprehensive Income (1+2)	(9,246.43)	636.73	(9,246.43)	-
Earnings per share:				
1. Data for Basic	(42.81)	1.92	(42.81)	
2. Diluted EPS	(42.81)	0.81	(42.81)	-

*The Company incorporated its subsidiary on May 09, 2025. Hence, no data is available for FY 2024-25.

Note: Due to rounding off, numbers presented above may not add up precisely to the totals provided.

The above figures are extracted from the (Standalone and Consolidated) nancial Āstatements prepared in accordance with Indian Accounting Standards ("Ind AS") as notied Āunder Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014, as amended, and other relevant provisions of the Act, circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

- The audited standalone and consolidated nancial Āstatements of the Company as stated above, and all other documents required to be attached thereto are available on the Company's website at https://www.lightfinance.com/resources/

- **RESULTS OF OPERATIONS:**

  - Revenue:

    Your Company reported a turnover of Rs. 28,891.21 lakhs for the year ended on March 31, 2026, as compared to Rs. 41,449.45 lakhs in the previous year.

  - Profit:

    Your Company has incurred a loss of Rs. 10,723.13 lakhs (after tax) for the nancial Āyear ended March 31, 2026, as compared to a profit of Rs. 481.52 lakhs (after tax) in the previous financial year.

    While the nancial Āperformance for the year was impacted by various business and market factors, the management continues to focus on strengthening the Company's operational efficiency, enhancing business opportunities, and optimizing costs.

    The Board remains condent Āin the Company's long-term growth prospects and believes that the strategic initiatives being undertaken will support improved financial performance and sustainable value creation in the years ahead.

  - **Other Financial Highlights:**

    Other income was Rs. 694.61 lakhs as against Rs. 1,302.15 lakhs in the previous year, primarily on account of interest income.

    Finance Cost was at Rs. 17,891.99 lakhs as against Rs. 20,939.80 lakhs in the previous year.

    Depreciation and amortization expenses were Rs. 1,155.03 lakhs as compared to Rs. 1,378.18 lakhs in the previous year.

    Basic Earnings Per Share (EPS) for the year ended March 31, 2026, was at Rs. (42.81)as against Rs. 1.92 in the previous year. Diluted Earnings Per Share (EPS) for the year ended March 31, 2026, was at Rs. (42.81)as against Rs. 0.81 in the previous year.

    The Board of Directors of the Company is condent Āthat the Management of the Company is capable of taking the company forward in the coming financial year.

- **COMPANY AFFAIRS:**

  FY26 marked a year of resilience and disciplined execution for the Company amidst a gradually improving economic and microfinance landscape. The Company remained focused on portfolio quality, prudent risk management, operational efficiency, digital transformation, and product diversication, Ā while maintaining strong governance and regulatory compliance. Supported by a robust capital position and a customer-centric approach, the Company is well-positioned to capitalize on emerging growth opportunities and create sustainable long-term value for its stakeholders.

  Further, Detailed Information on the affairs of the Company is provided in the Management Discussion and Analysis section of this Report, which is annexed as **"Annexure F".**

- **OPERATIONAL PERFORMANCE FOR THE FINANCIAL YEAR 2025-26 IS SUMMARIZED IN THE FOLLOWING TABLE:**

Particulars	FY 2025-26	FY 2024-25
No. of Branches	248	265
Number of Customers	399,552	490,304
Number of Employees	2441	3793
Number of States	33 (including digital, else only JLG 9)	21 (including digital, else only JLG 9)
Amount disbursed (Rs. in lakhs)	112,271	119,079
Portfolio Outstanding (Rs. in lakhs)	143,485	169,907

❖ GENDER-WISE WORKFORCE DISCLOSURES:

The Company is committed to fostering a diverse, equitable, and inclusive workplace where individuals are respected, valued, and provided with equal opportunities to contribute and grow. As part of this commitment, the gender-wise composition of the Company's workforce as of March 31, 2026, and March 31, 2025, is presented below:

Number of employees as on the closure of financial year	FY 2025-26	FY 2024-25
Male	2311	3601
Female	130	192
Transgender	0	0
Total	**2441**	**3793**

The Company believes that a diverse and inclusive workforce fosters innovation, strengthens decision-making, and enhances organisational effectiveness. It remains committed to promoting an equitable work environment that encourages equal participation and reflects the diverse communities it serves.

❖ CHANGES IN SHARE CAPITAL:

❖ Authorised Share Capital:

During the year under review, the Company has not altered or modied Āits authorized share capital, which remains unchanged as of March 31, 2026:

Type of Capital	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)
Equity Capital	6,31,80,000	10	63,18,00,000
Preference Capital	2,13,20,000	10	21,32,00,000
Preference Capital	3,50,00,000	20	70,00,00,000
Total			**1,54,50,00,000**

❖ Issued, Subscribed, and Paid-up Share Capital:

The paid-up and subscribed share capital of the Company as of March 31, 2026, is as follows:

Type of Capital	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)
Equity	**2,50,50,009**	**10**	**25,05,00,090**
Compulsorily Convertible Preference Share ("CCPS")			
Class I	2,08,27,373	10	20,82,73,730
Class II	3,09,59,699	20	61,91,93,980

During the year under review, there was no change in the paid-up share capital of the Company. The Company did not issue any shares with differential voting rights and has not issued any sweat equity shares pursuant to Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014.

However, the company has granted 13,74,000 stock options during the year.

As on March 31, 2026, Mr. Deepak Amin holds 42,87,511 convertible share warrants of the Company.

Further, none of the Non-Executive Directors of the Company hold any convertible instruments as on that date.

❖ DIVIDEND AND RESERVES

In the prevailing challenges in the microfinance industry Company has not earned prot Āas on March 31,2026. Hence, the Board has not recommended any dividend for the financial year 2025-26.

Further, The company does not require to transfer any amount to the Statutory Reserve under Section 45-IC of the Reserve Bank of India Act, 1934, for the financial year ended March 31, 2026.

❖ DETAILS OF NON-CONVERTIBLE DEBENTURES ISSUED:

The company has issued the following Non-Convertible Debentures through private placement basis during the year under review:

Sl. No.	No. of NCD	No. of Allottees	Date of Board of Directors Approval	Date of Members Approval	Date of Allotment
1.	7390	1	23.05.2024	19.06.2024	30.05.2025
2.	4000	1	27.05.2025	23.06.2025	28.01.2026

Name of Debenture Holder	No. Debentures Issued	No. Debenture Redeemed	Date of Allotment	Date of Redemption
MICROFINANCE INITIATIVE FOR ASIA (MIFA) DEBT FUND SA, SICAV-SIF	320	80	December 12, 2022	June 12, 2025
		240		December 12, 2025
IFMR FIMPACT LONG TERM CREDIT FUND	2500	2500	July 28, 2023	August 28, 2025
JAPAN ASEAN WOMEN EMPOWERMENT FUND (JAWEF)	160	40	September 26, 2022	September 26, 2025*
AAV SARL	12228	12228	November 24, 2022	November 24, 2025
MASALA INVESTMENTS SARL	12228	12228	November 24, 2022	November 24, 2025

Further, The Company has redeemed the following debentures during the period under review:

*Partial Redemption:

1. On September 26, 2025, 40 units of JAPAN ASEAN WOMEN EMPOWERMENT FUND (JAWEF) were partially redeemed.

The details of the debenture trustee for Non-Convertible debentures issued by the Company are as under

Name of Debenture trustee	Beacon Trusteeship Limited
Office Address	5W, 5TH Floor, The Metropolitan Building, E Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
CIN	L74999MH2015PLC271288
Contact Details	Email address: compliance@beacontrustee.co.in Contact person: Mr. Ritobrata Mitra Website: https://beacontrustee.co.in/

Name of Debenture trustee	Catalyst Trusteeship Limited
Office Address	910-911,9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi –110001
CIN	U74999PN1997PLC110262
Contact Details	Email address: ComplianceCTL-Mumbai@ctltrustee.com Contact person: Mr. Umesh Salvi, Managing Director Phone No: 011-43029101 Website: www.catalysttrustee.com

❖ CAPITAL ADEQUACY RATIO:

The Company continues to fulll Āall the norms and standards laid down by the RBI for Micro Finance Companies pertaining to non–performing assets, capital adequacy, statutory liquidity assets etc. against the RBI norm of 15%, your Company has been able to maintain a Capital Adequacy Ratio (CAR) of 26.92% as on March 31, 2026, which is well above the RBI mandated norm of 15%.

❖ CREDIT RATING:

During the year under review, the rating agencies assigned and reaffirmed the following ratings of the Company:

Rating	Program (Category)	Outlook	Quantum (in crore)
	CRISIL –12.05.2025		
BBB+	Term Loan	Stable	425
BBB+	Non-Convertible Debentures	Stable	281
	CRISIL – 31.12.2025		
BBB+	Term Loan	Stable	425
BBB+	Non-Convertible Debentures	Stable	281
	CRISIL – 31.03.2026		
BBB+	Term Loan	Stable	425
BBB+	Non-Convertible Debentures	Stable	356.54
	CARE - 08.10.2025		
BBB+	Long-term Bank Facilities	Negative	1150

Rating details are assigned at the entity level for microfinance sustainably operations.

Facility	Rating Agency	Program (Category)	Rating
Entity Level	SMERA Ratings Limited	MFI Grading	SMERA M1

❖ DESIGNATED PERSON FOR FURNISHING INFORMATION AND EXTENDING CO- OPERATION TO REGISTRAR OF COMPANIES (ROC) IN RESPECT OF BENEFICIAL INTEREST IN SHARES OF THE COMPANY

The Company Secretary is designated as the authorized officer responsible for furnishing requisite information to and extending necessary cooperation with the Registrar of Companies (ROC) in relation to benecial Ā ownership of the Company's shares, in compliance with the applicable provisions of law.

❖ DEPOSITORY SYSTEM

As on March 31, 2026, a total of 1,36,30,009 equity shares (representing 54.41% of the equity share, including 100% of the Promoter holding) and 2,98,61,625 Compulsorily Convertible Preference Shares ("CCPS") (representing 57.66% of the total CCPS) were held in dematerialized form with the depositories. In view of the numerous advantages offered by the Depository System, the Members holding shares in physical mode are advised to avail the facility of dematerialization.

Further, the Company's Non-Convertible Debentures (NCDs) are listed on Bombay Stock Exchange and as on March 31, 2026, all the NCDs are in dematerialized form with National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).

❖ DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has incorporated Subsidiary, Light Capital Private Limited, on May 09, 2025, during the year under review. Thus, disclosure Form AOC-1 is attached is attached herewith as **"Annexure A"**

❖ PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES:

During the period under review, the Company has not granted any Loans, guarantees or has made any investment which requires disclosures under Section 186 of Companies Act, 2013.

❖ INTERNAL FINANCIAL CONTROLS AND INTERNAL CONTROL SYSTEMS

The Board of Directors conrms Āthat the Company has laid down a set of standards, processes and structure which enables it to implement Internal Financial Controls across the organisation with reference to Financial Statements and that such

controls are adequate and are operating effectively. During the nancial Ā year under review, no material or serious observation has been made regarding inefficacy or inadequacy of such controls. Assurance on the effectiveness of Internal Financial Controls is obtained through management reviews, continuous monitoring by functional expenses as well as testing of the Internal Financial Control systems by the statutory auditor and internal auditors during the course of their audits. During the nancial Āyear under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls. The Company maintains an adequate and effective internal control system, commensurate with its size and complexity. The Company believes that these internal control systems provide a reasonable assurance that the Company's transactions are executed with management authorization and that they are recorded in all material respects to permit preparation of nancial Āstatements in conformity with established accounting principles and that the assets of the Company are adequately safeguarded against significant misuse or loss.

❖ DECLARATION OF INDEPENDENT DIRECTORS:

The Company has received necessary declarations from each of the Independent Directors under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.In the opinion of the Board, the Independent Directors appointed during the year possess the requisite expertise, experience, proficiency & the highest standards of integrity.

The Company has received following documents as per Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 issued by the RBI dated November 28, 2025 ('RBI Governance Directions'), as amended from time to time and Corporate Governance Policy of the Company.

1. Undertaking and Declaration from all Directors regarding the t Āand proper criteria in the format prescribed under the Corporate Governance Policy, as approved by the Board at its meeting held on February 18, 2021.
2. Executed the deed of covenant as per Master Directions [Fit and Proper Criteria] in the format prescribed by RBI directions.
3. As per Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 issued by the RBI dated November 28, 2025 , as amended from time to time, and within the permissible limits in terms of Companies Act, 2013, a declaration from the independent director that he/she shall not be on the Board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time.

❖ CORPORATE GOVERNANCE:

The Company believes in the philosophy of conducting the business through fair and ethical means and has set the best of corporate governance practice in its day-to-day operations, aimed at building trust with all its stakeholders.

As per applicable guidelines, the Company has constituted the following committees:

Sl. No.	Name of Committee
1.	Audit Committee
2.	Nomination and Remuneration committee
3.	Risk Management Committee
4.	Asset Liability Management Committee
5.	IT Strategy Committee
6.	Corporate Social Responsibility
7.	Securities Allotment Committee
8.	Internal Compliant Committee
9.	Product Committee
10.	Share Transfer Committee
11.	Internal Investigation Committee
12.	Executive Management Committee
13.	Borrowing Committee
14.	Consumer Protection Committee
15.	IT Steering Committee
16.	Information Security Committee

The Corporate Governance Report of the Company for Financial Year 2025-26 is attached herewith as "**Annexure B**".

The Company has displayed policy on corporate governance on its website https://www.lightfinance.com/resources

DETAILS OF BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL:

During the year under review, the following changes occurred in the Board & KMP of the Company:

Appointment

- **Ms. Lise Lindbäck as Nominee Director**

  Ms. Lise Lindbäck (DIN: 09655122) was appointed as Nominee Director representing Abler Nordic Fund IV KS (Formerly known as NMI Fund IV KS)– the existing Compulsorily Convertible Preference Shareholder of the Company vide Board Meeting held on May 27, 2025. Necessary ling Āfor the same with the Ministry of Corporate Affairs was made by the company on June 05, 2025.

- **Mr. Hiten Mukundbhai Parikh as an Additional Independent Director**

  Mr. Hiten Mukundbhai Parikh (DIN:01686215), was appointed by Board of Directors based on recommendation of Nomination Remuneration Committee of the Company vide Circular resolution with effect from January 30,2026, as an Additional Independent Director of Company with effect from January 30, 2026 . Necessary ling Āwas made by Company on February 05, 2026.

Regularization:

- **Mr. Paresh Vora's Regularization as an Independent Director**

  Mr. Paresh Vora (DIN: 01688636), was appointed by Board of Directors of the Company as an Additional Independent Director of the Company with effect from February 11, 2025, and regularized at Extra Ordinary General Meeting held on June 23, 2025 as an Independent Director for a period of five (5) consecutive years, w.e.f. February 11, 2025. Necessary ling Ā for the same with the Ministry of Corporate Affairs was made by the company on July 07,2025.

- **Mr. Hiten Mukundbhai Parikh's Regularization as an Independent Director**

  Mr. Hiten Parikh was appointed as an Independent Director of the Company for a term of five (5) consecutive years with effect from January 30, 2026, pursuant to the approval of the Members at the Extraordinary General Meeting held on June 26, 2026, based on the recommendation of the Board of Directors. The Company completed the necessary statutory filing in respect of the said appointment on July 06, 2026.

Resignation:

- **Mr. Aditya Bhandari as Nominee Director**

  Mr. Aditya Bhandari(DIN: 03062463) resigned as a Nominee Director representing Representative of agRIF Coöperatief U.A., the existing Compulsorily Convertible Preference Shareholder of the Company, vide a resignation letter dated April 08, 2025,due to cessation of employment with agRIF Cooperatief U.A.

Retirement:

- **Mr. Anuj Kumar as Independent Director**

  Mr. Anuj Kumar (DIN: 01198699) ceased to be an Independent Director of the Company pursuant to his letter dated December 01, 2025, intimating his retirement upon completion of two consecutive terms of five years each.

  In accordance with Section 203 of the Companies Act, 2013, the Company has the following Key Management Personnel as on date of the Board Report:

Sl. No.	Name	DESIGNATION
1	Mr. Deepak Amin	Managing Director
2	Mr. Rakesh Kumar	Chief Executive Officer
3	Mr. Aviral Saini	Chief Financial Officer
4	Ms. Madhavi Gajjar	Chief Compliance Officer & Company Secretary

❖ Secretarial Standards of ICSI

The Company has complied with the requirements prescribed under the Secretarial Standards on meetings of the Board of Directors and General Meetings read with the MCA circulars.

❖ PERFORMANCE EVALUATION:

The Board of Directors has carried out an annual performance evaluation of the Board, Board Committees and Individual Directors pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013.

- The performance of the Board was evaluated by the board, after seeking inputs from all the directors, on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The Board of Directors carried out the evaluation on the basis of different criteria i.e. participation of Directors at Board/ Committee meetings, managing relationship, knowledge and skill, ethics and contribution, composition and quality of Board, Board meeting and its procedures, Board strategy and risk management, composition and duties of Committees.

❖ DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 134 (5) of the Companies Act, 2013, the Directors hereby confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the directors have prepared the annual accounts for the FY ended on March 31, 2026, on a going concern basis;
5. That the directors, had laid down internal nancial Ācontrols to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

❖ INFORMATION ON MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There are no material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

❖ CHANGE IN THE NATURE OF BUSINESS, IF ANY:

Your Company continues to operate as a microfinance business and during the year under review, there was no change in the nature of the business of the Company.

❖ Qualifying Asset (QA)

As per the Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025, NBFC-MFIs are required to maintain Qualifying Assets (QAs) of at least 60% of their total assets (net of intangible assets). As on March 31, 2026, the Company's Qualifying Assets constituted 52.65% of its total assets (net of intangible assets), primarily on account of the challenges prevailing in the microfinance sector. Accordingly, the Company has intimated the same to the Department of Supervision, Reserve Bank of India.

❖ EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the nancial Ā year ended March 31, 2026, made under the provisions of Section 92(3) of the Act is attached as "Annexure C" attached herewith and which forms part of this Report and annual return uploaded on the Company's Website can be assessed at https://www.lightfinance.com/resources

❖ NUMBER OF MEETINGS OF THE BOARD:

Sl. No.	Day and Date of BM	Mr. Deepak Amin	Mr. Rakesh Kumar	Mr. Aviral Saini	Mr. Anuj Kumar ***	Ms. Daksha Shah	Ms. Parul Hariharan	Mr. Paresh Vora	Mr. Arvind Kodikal	Ms. Lise Lind-back**	Mr. Hiten Parikh* ***	Mr. Aditya Bhandari*
1	Tuesday 27.05.2025	✓	✓	✓	✓	✓	✓	✓	✓	_**	_ ****	_*
2	Monday 11.08.2025	✓	✓	✓	✓	✓	✓	✓	✓	✓	_ ****	_*
3	Tuesday 11.11.2025	✓	✓	✓	✓	✓	✓	✓	✓	✓	_ ****	_*
4	Thursday 12.02.2026	✓	✓	✓	_***	✓	✓	✓	✓	✓	✓	_*

* Mr. Aditya Bhandari has resigned as Nominee Director with effect from April 08, 2025

** Ms. Lise Lindback was appointed as Nominee Director with effect from May 27, 2025.

*** Mr. Anuj Kumar Ceased as Independent Director with effect from December 01, 2025.

**** Mr. Hiten Parikh was appointed as Additional Independent Director with effect from January 30, 2026 and regularized at the Extraordinary General Meeting held on June 26,2026 as an Independent Director.

❖ CORPORATE SOCIAL RESPONSIBILITY:

Your Company has constituted a Corporate Social Responsibility (CSR) Committee comprising Mr. Deepak Amin, Mr. Rakesh Kumar, Mr. Aviral Saini and Mr. Paresh Vora as its members. The Committee functions under their supervision and has formulated the CSR Policy, outlining the activities to be undertaken by the Company from time to time.

The Committee has been entrusted with the prime responsibility of implementation of the activities under the CSR policy and recommend the amount to be spent on such CSR activities during the year.

Your Company has undertaken the CSR activities and complied with the provisions of Section 135 of the Companies Act, 2013. The CSR activities undertaken by your Company are based on the approved CSR policy, which is available on the Company's website, and can be accessed by clicking on the following link: https://www.lightfinance.com/resources

CSR obligation for the nancial Āyear 2025-26 was Rs. 80.14 lakhs (2% of the average net prot Āof the Company for last three nancial Āyears). The Company has spent a total amount of Rs.80.15 lakhs during FY 2025-26, in accordance with the recommendations of the CSR Committee made in its meeting held on May 27, 2025, and in compliance with Rule 4 of the Companies (CSR Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013.

The CSR initiatives undertaken by your Company along with other CSR related details forms part of the Annual Report on CSR activities for FY 2025-26, which is annexed as **"Annexure D".**

❖ PARTICULARS OF CONTRACT AND ARRANGEMENT WITH RELATED PARTIES:

During the year ended March 31,2026, the Company has not entered into any related party transactions under Section 188(1) of the Companies Act, 2013. Thus, disclosure in E-Form AOC-2 is not required. All contracts /arrangements/transactions entered into by the Company during the nancial Āyear with related parties were in the ordinary course of business and on an arm's length basis. During the year under review, your Company had not entered into any contract/arrangement/ transaction with related parties which could be considered as material in accordance with the provisions of Section 188 of the Companies Act, 2013 & policy on related party transactions. However, the disclosures of transactions with related parties for the nancial Āyear, as per Accounting Standard – 18, Related Party Disclosures are given in Note. No 29(F) to the Balance Sheet as on March 31, 2026, The Related Party Transaction Policy of the Company is available on the Company's website and can be accessed at link: https://www.lightfinance.com/resources/

The Related Party Transactions disclosure pursuant to Schedule V read with Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

Sl. No.	Particulars and Amount
1	Loan provided to Light Capital Private Limited, Subsidiary of Light Microfinance Private Limited, amounting to Rs. 2,01,000/

❖ CYBER SECURITY:

In view of increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in cyber security.

❖ PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Your Company is an equal opportunity employer and is committed to ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. It strongly believes in upholding the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited.

The Company has in place an appropriate policy in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to prevent sexual harassment of its employees.

Your Company is in compliance with the provisions relating to constitution of the Internal Complaints Committee ("ICC") under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, for the purpose of addressing complaints of sexual harassment. The designated email id for registering complaints for sexual harassment at workplace is help@lightfinance.com

The Company has led Āits Annual Report for the calendar year ending December 31,2025, as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Following is a summary of complaints received, disposed of and pending during the period under review:

a.• Number of complaints pending at the beginning of the year: 0

b. Number of complaints received during the year: 0

c. Number of complaints disposed off during the year: 0

d. Number of cases pending for more than 90 days: 0

e. Number of cases pending at the end of the year: 0

❖ MATERNITY LEAVE AND BENEFIT

Your Company is fully compliant with the provisions of the Maternity Benet ĀAct, 1961 and ensures that all eligible women employees receive the benets Āas prescribed under the Act. These benets Āinclude maternity leave, payment of maternity benefits, and protection from dismissal during the maternity period.

The Company recognizes the importance of supporting women during and after pregnancy and is committed to creating a conducive work environment that balances professional and personal responsibilities. In addition to statutory compliance, the Company promotes awareness about maternity benets Āamong employees and encourages a supportive culture for working mothers.

Further, the Company undertakes regular reviews of its policies and practices to ensure alignment with evolving legal requirements and best practices in gender inclusivity. It remains steadfast in its commitment to fostering diversity and inclusion, thereby contributing positively to the well-being of women employees and promoting equal opportunities within the workplace.

❖ AUDITORS:

Statutory Auditor:

Based on the recommendation of the Audit Committee, M/s Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377), were appointed as the Statutory Auditors of the Company at the Board Meeting held on May 23, 2024, pursuant to Sections 139, 142, and other applicable provisions of the Companies Act, 2013 (including any statutory modication Āor re-enactment thereof), read with the Companies (Audit and Auditors) Rules, 2014, and in accordance with the RBI Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs, and NBFCs (including HFCs) dated April 27, 2021, to hold office from the conclusion of the 30th Annual General Meeting held on September 25, 2024, until the conclusion of the 33rd Annual General Meeting of the Company subject to the fulllment Āof eligibility norms on an annual basis, as prescribed under the RBI Guidelines, at a remuneration as may be decided by the Board of Directors in consultation with the auditors, plus applicable taxes, including any statutory service tax, and reimbursement of actual travelling and out-of-pocket expenses incurred by them for the purpose of the audit.

The members of the Company, based on the recommendation of the Board of Directors, approved the appointment of M/s Talati & Talati LLP, Chartered Accountants, as the Statutory Auditors at the 30th Annual General Meeting held on September 25, 2024,

The Statutory Auditors' Report, read together with the notes forming part of the nancial Āstatements for the nancial Āyear ended March 31, 2026, is self-explanatory and does not call for any further explanation or claricatio Āfrom the Board. Further, the Statutory Auditors' Report does not contain any qualication, Āreservation, adverse remark, or disclaimer requiring comments under Section 134(3)(f) of the Companies Act, 2013.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Keyur J. Shah & Associates, Company Secretaries, Practicing Company Secretary (M. No.: F9559|COP No.: 8814), Ahmedabad, to carry out the Secretarial Audit of the Company for the nancial Āyear 2025-26. The Secretarial Audit Report for FY 2025-26 is annexed herewith as **"Annexure E".**

The Board of Directors has reviewed the Secretarial Auditors' Report for the nancial Āyear ended March 31, 2026. The Report is self-explanatory and does not contain any qualication, Āreservation, adverse remark, or disclaimer requiring any further explanation or clarification from the Board under Section 134(3)(f) of the Companies Act, 2013.

Internal Auditor:

As per RBI Circular RBI/2020-21/88 Ref.No.DoS.CO.PPG./SEC.05/11.01.005/2020-21 dated February 03, 2021 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modication(s) Āor re-enactment thereof, for the time being in force), M/s. Kantilal Patel& Co., Chartered Accountants appointed as Internal Auditors of the Company for the F.Y. 2025-26 in the board meeting held on May 27, 2025. The Internal Auditor is appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports its ndings Āon the internal audit of the Company to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

During the year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls

Cost Auditor:

Maintenance of cost records and requirement of cost audit as prescribed under the provision of Section 148 of the Companies Act, 2013, are not applicable for the business activities carried out by the Company.

Information System Auditor:

The Company had appointed M/s Sumeru Software Solutions Private Ltd., as Information system auditor of the Company for 2025-26 , in accordance with the RBI Master Direction – Information Technology framework for the NBFC sector [Master

Direction dnbs.ppd.no.04/66.15.001/2016-17] dated June 08, 2017, at a remuneration as decided by the Board of Directors in consultation with the Auditors, plus applicable service tax and reimbursement of traveling and out of pocket expenses incurred by them for the purpose of the audit, in the Board meeting held on November 11, 2025.

❖ ENERGY CONSERVATION/TECHNOLOGY ABSORPTION/FOREIGN EXCHANGES EARNING & OUTGO:

(A) ENERGY CONSERVATION:

(I) The steps taken or impact on conservation of energy:

The operations of the Company are not energy-intensive; however, adequate measures have been implemented to optimize energy usage and minimize waste. During the year, the Company undertook several cost-effective initiatives, such as upgrading to energy-efficient lighting and optimizing equipment usage, to enhance overall energy efficiency.

(ii) The steps taken by the Company for utilizing alternate sources of energy: Nil.

(iii) The capital investment on energy conservation equipment: Nil.

(B) TECHNOLOGY ABSORPTION:

(I) The efforts made towards technology absorption: Not Applicable

(ii) The benets Āderived like product improvement, cost reduction, product development or import substitution: Not Applicable.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): Not Applicable.

(a) Details of Technology Imported;

(b) Year of Import;

(c) Whether the Technology has been fully absorbed;

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof

(iv) Your Company has not incurred any expenditure on Research and Development during the year under review.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the period under review, the company has made below-mentioned foreign expenses and income:

Particulars	Currency	FY 2025-26	FY 2024-25
Expenditure in Foreign Currency -	US Dollars	53,055.52	1,43,869.73
MIS Infrastructure Expenses and other expenses	Euro	3,783	396
	Indian Rupees (In lakh)	50.10	121.91
Expenditure in Foreign Currency - Processing Fees	US Dollars	-	49,075
and other finance charges	Euro	-	30,000
	Indian Rupees (In lakh)	-	67.40
Expenditure in Foreign Currency –	US Dollars	11,41,680.09	12,76,950.96
Finance Cost (Interest)	Euro	1,95,000	99,904.11
	Indian Rupees (In lakh)	1,200.82	1,167.65
Earning in Foreign Currency		-	-

❖ RISK MANAGEMENT FRAMEWORK & THREATS TO EXISTENCE:

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's' approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

The Board and the Risk Management Committee periodically review the risk landscape and mitigation measures to ensure the adequacy and effectiveness of the Company's risk management practices. Based on the assessment carried out during the year under review, no risk has been identied Āthat may threaten the existence of the Company or materially impact its ability to continue its operations as a going concern.

During the period under review, the Risk Management Committee was reconstituted on February 12, 2026. As on March 31, 2026, the composition of the Committee is as follows:

Sl. No.	Name	Designation in Committee
1	Mr. Deepak Amin	Member
2	Mr. Rakesh Kumar	Member
3	Mr. Aviral Saini	Member

❖ NOMINATION AND REMUNERATION POLICY:

The Company has, in order to attract, motivate and retain manpower in competitive market and to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of Section 178 of the Companies Act, 2013, devised a policy for Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management. Key points of the Policy are:

A. Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel:

- The policy is formulated to identify and ascertain the integrity, qualication, Āexpertise, and experience of the person for appointment as Director, KMP and Senior Management personnel and recommend to the Board for his / her appointment.
- A person should possess adequate qualifications, expertise and experience for the position he/ she is considered for appointment.
- In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

B. Policy on remuneration of Director, key managerial personnel, and senior management personnel:

The Company's remuneration policy is driven by the success and performance of the Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company's philosophy is to align them and provide adequate compensation with the Objective of the Company so that the compensation is used as a strategic tool that helps it to attract, retain and motivate highly talented individuals who are committed to the core values of the Company.

During the period under review, the Nomination and Remuneration Committee was reconstituted twice, on May 27, 2025 and January 30, 2026.

As of March 31, 2026, the composition of the Committee is as follows:

Sl. No.	Name	Designation in Committee
1	Mr. Hiten Parikh	Member
2	Ms. Daksha Shah	Member
3	Ms. Parul Hariharan	Member
4	Mr. Paresh Vora	Member

The Company has displayed the Nomination and Remuneration Policy on website of the company at https://www.lightfinance.com/resources/

❖ MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed discussion on the Company's operational and nancial Āperformance is given in Management Discussion and Analysis Report which is annexed to this report as **"Annexure F".**

❖ DEPOSITS:

The Reserve Bank of India in exercise of its powers under The Reserve Bank of India, 1994 and rules & regulations made thereunder, has granted NBFC-MFI (Registration no. B-14.03244) status to the Company. During FY 2025-26, the Company has not accepted any public deposits and the Board of Directors has passed the resolution that the Company will not accept or hold any public deposits in FY 2025-26.

During the year under review, the Company has not accepted any deposits from Shareholders and Public falling within the ambit of Section 73 of the Companies Act, 2013 and rules made there under. There were no deposits, which were claimed and remained unpaid by the Company as on March 31, 2026.

❖ RESERVE BANK OF INDIA (RBI) DIRECTIONS:

The Company is registered with RBI as a NBFC-MFI via Registration No. B-14.03244. The Company continues to comply with the requirements prescribed by the RBI as applicable to it. RBI via noti. cation RBI/2021-22/112DOR. CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021, & RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, on Framework for Scale Based Regulation for Non-Banking Financial Companies, bifurcated the Regulatory structure of NBFCs in four layers i.e. NBFC - Base Layer (NBFC-BL), NBFC - Middle Layer (NBFC-ML), NBFC - Upper Layer (NBFC-UL) and NBFC - Top Layer (NBFC-TL) based on their size, activity, and perceived riskiness. Your Company being an NBFC-Middle Layer (NBFC-ML), endeavors to ensure compliance with this notification.

RBI via the MFL Master Directions provides the framework for providing the collateral free loan irrespective of end use and mode of application processing/ disbursal either through physical or digital channels), provided to low-income households having household income upto Rs. 3,00,000/-. Light being NBFC-MFI is complied with the aforesaid directions.

❖ FRAUD REPORTING:

During the period under review, the Statutory Auditor and the Secretarial Auditor have not reported any instance of material fraud committed by the officers or employees of the Company as required under Section 143(12) of the Companies Act, 2013. Details of a fraud identified during the year have been disclosed in Note No. 29 (UU) of the financial statements.

❖ MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and/or commitments affecting the financial position of the Company that have occurred between the end of the financial year and the date of signing of this report, except for the incorporation of a subsidiary company, Light Capital Private Limited, on May 9, 2025.

❖ VIGIL MECHANISM:

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safeguards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases.

Following is a summary of complaints received, disposed off and pending during the period under review:

No. of complaints received - 0

No. of complaints disposed off – 0

No. of complaints pending – 0

The Whistle Blower Policy of the Company is available on the website of the Company at https://www.lightfinance.com/resources/

❖ SECRETARIAL STANDARDS:

The Company has complied with the provisions of Secretarial Standards applicable to the Company issued by the Institute of Company Secretaries of India, a Statutory Body and notified by Ministry of Corporate Affairs under Section 118 (10) of the Companies Act, 2013

❖ REGULATORY GUIDELINES:

- ❖ During the year under review, the Reserve Bank of India (RBI) undertook a comprehensive regulatory rationalisation exercise by consolidating over 9,000 circulars into 238 Master Directions administered by the Department of Regulation. This initiative is expected to enhance regulatory clarity, improve ease of reference, and simplify compliance requirements for regulated entities. As part of this exercise, 35 Directions applicable to Non-Banking Financial Companies (NBFCs) were issued, providing a streamlined and harmonised regulatory framework while continuing to emphasise sound governance, risk management, and prudential practices.
- ❖ The RBI issued updated guidelines under the Digital Lending Framework on May 8, 2025, which were subsequently withdrawn and replaced by the **RBI (NBFC–Credit Facilities) Directions, 2025,** dated November 29, 2025. The revised framework includes provisions relating to Default Loss Guarantee (DLG) arrangements and aims to strengthen regulatory oversight of digital lending ecosystems, ensure transparency in fintech–lender partnerships, regulate risk-sharing mechanisms, and enhance borrower protection in digital loan origination and servicing.
- ❖ During the year under review, the Reserve Bank of India issued the **RBI (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025,** strengthening the regulatory framework for outsourcing arrangements of NBFCs. The Directions emphasize Board oversight, robust risk management, due diligence of service providers, information security, business continuity, customer protection, and data confidentiality, while reaffirming that the ultimate responsibility for outsourced activities remains with the regulated entity.
- ❖ The RBI issued the **KYC (Amendment) Directions, 2025** dated June 12, 2025, extending timelines for periodic updation of KYC details for low-risk customers, introducing structured customer communication requirements, and simplifying onboarding and KYC processes to improve compliance efficiency and customer experience.
- ❖ The RBI introduced the **Reserve Bank – Integrated Ombudsman Scheme, 2026,** dated January 16, 2026, with the objective of simplifying and streamlining the customer grievance redressal process while improving customer access to dispute resolution mechanisms.
- ❖ Further, through the **RBI (NBFC–Credit Risk Management) Directions, 2025** relating to lending to related parties by regulated entities, dated January 5, 2026, RBI strengthened the regulatory framework governing related party lending. These Directions introduce stricter controls and enhanced disclosure requirements to ensure that such transactions are undertaken on an arm's length basis. The amendments are intended to mitigate potential conflicts of interest, strengthen corporate governance standards, and establish safeguards against misuse or diversion of funds within connected entities.
- ❖ The RBI also introduced new guidelines on prepayment charges for floating-rate loans to ensure fairness and transparency, particularly for individual borrowers and MSMEs. These guidelines have been incorporated under the **RBI (NBFC-Responsible Business Conduct) Directions, 2025.**
- ❖ The RBI also issued various other circulars and directions during the year covering areas such as investment norms, credit risk management, project financing, and governance-related matters. The Company has aligned, or is in the process of aligning, its policies, processes, and systems with the applicable regulatory requirements.
- ❖ The RBI issued the **Co-Lending Arrangements Directions, 2025,** dated August 6, 2025, which were subsequently withdrawn and replaced by the **RBI (NBFC–Credit Facilities) Directions, 2025,** dated November 29, 2025, establishing a comprehensive regulatory framework for co-lending partnerships between regulated entities (Res).
- ❖ The RBI amended the **Foreign Exchange Management (Borrowing and Lending) Regulations, 2018** through the **Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026, effective February 16, 2026,** thereby comprehensively rationalising the External Commercial Borrowing (ECB) framework. The Ministry of Electronics and Information Technology also notified the **Digital Personal Data Protection (DPDP) Rules, 2025,** and the Company is taking necessary steps to align its data protection and privacy framework with the DPDP Act, 2023.

- SEBI also redefined **High Value Debt Listed Entities (HVDLEs)** pursuant to the **SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025,** to include entities having outstanding listed non-convertible debt securities of Rs. 5,000 crore (Indian Rupees Five Thousand Crore) and above.
- The Government of India introduced four new Labour Codes, namely the **Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020,** by consolidating 29 existing labour laws into a simplified framework. These Codes aim to improve ease of doing business, ensure uniformity in labour regulations, and expand social security coverage, particularly for unorganised, gig, and platform workers.
- The Ministry of Corporate Affairs (MCA) also issued clarifications permitting companies to conduct **Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs)** through Video Conferencing (VC) or Other Audio Visual Means (OAVM), along with enabling the passing of ordinary and special resolutions through electronic means in accordance with applicable provisions

  The Company remains committed to maintaining a robust compliance framework and continues to monitor regulatory developments closely. The Company has undertaken necessary measures to ensure timely implementation of applicable regulatory requirements, strengthening its governance practices, risk management framework and operational resilience.

HUMAN RESOURCES & PARTICULARS OF EMPLOYEES:

Your Company treats its "Human Resource" as one of its most important assets.

Your Company continuously invests in attraction, retention, and development of talent. Several programs that provide focused people attention are currently underway. Your Company's thrust is on the promotion of talent internally through job rotation and job enhancement.

The disclosure requirements under Sub-rule (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company; hence, no related disclosures are made.

EMPLOYEE STOCK OPTIONS PLAN [ESOP]

Your Company believes that its success and ability to achieve its objectives are largely determined by the quality of its workforce and recognizes that, in addition to providing good employment opportunities, effective motivating mechanisms are also essential to incentivize employees and align their interest with the interests of the Company. In recognition of the said objective, the Company adopted and implemented the Employee Stock Option Plan 2018 ("ESOP 2018") to attract, retain, motivate, and incentivize employees of the Company

The ESOP Plans of the Company are implemented and administered by the Nomination & Remuneration Committee.

During the year, there was no change in the ESOP 2018. The ESOP disclosure pursuant to Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, and the provisions under section 62 of the Companies Act 2013 along with the rules framed there under, are enclosed as **"Annexure G".**

LOANS, GUARANTEES AND INVESTMENTS

The Company, being a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India as an NBFC-MFI and engaged in the business of providing loans in the ordinary course of its operations, is exempted from the applicability of the provisions of Section 186 of the Companies Act, 2013, in respect of loans, guarantees. and investments. pursuant to the notification issued under the Companies (Amendment) Act, 2017. effective May 7, 2018. Accordingly, the Company is not required to comply with the disclosure requirements under Section 186 relating to full particulars of loans given, investments made, guarantees given or securities provided in the financial statements. Details of investments made by the Company are disclosed in the Notes to the Financial Statements.

AWARDS AND RECOGNITIONS

Top-Rated Financial Institution Worldwide

During the financial year under review, the Company was recognized as one of the Top-Rated Financial Institutions Worldwide by the MFR Top-Rated Financial Institutions Publication for the second semester of 2025. The publication

recognizes leading financial institutions across four continents that have demonstrated excellence in responsible and sustainable financial services. The recognition was awarded based on the Company's strong performance in Social and Environmental Rating and Client Protection Certification, reflecting the Company's commitment to responsible finance, robust governance, environmental and social responsibility, and customer protection.

TB Harega, Desh Jeetega – Certificate of Appreciation

The Company was honored with a Certificate of Appreciation under the TB Harega, Desh Jeetega initiative in Vadodara for its contribution towards providing nutritional kits to tuberculosis patients. This recognition reaffirms the Company's commitment to community health and social well-being.

Special Recognition for Blood Donation Drive

The Company received a Special Trophy and Certificate of Appreciation in recognition of successfully organizing a Blood Donation Drive at its Corporate Office, resulting in the collection of over 50 units of blood. The initiative reflects the enthusiastic participation of employees and the Company's commitment to promoting community health and social responsibility.

Recognition for CSR Contributions towards Education

The Company received appreciation from schools in Jind and Panipat for its CSR initiatives and continued support towards education and community development. The recognition underscores the Company's commitment to creating a positive and sustainable social impact through meaningful community engagement

❖ DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, there were no applications made or proceeding pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

❖ DETAILS OF DIFFERENCE VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANK AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of Loans from Banks and Financial Institutions

❖ DETAILS OF DOWNSTREAM INVESTMENT

The company is in compliance with the regulations as regards downstream investment

❖ ACKNOWLEDGEMENTS:

Your directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders, debenture holders, bankers, lenders, regulatory bodies, and other business constituents during the year under review. Your directors also wish to place on record their deep sense of appreciation for the commitment displayed by all the executives, officers, and employees, resulting in the successful performance of the Company during the year.

Signing as per Board Resolution passed for and on behalf of the Board of Directors.

For and on behalf of the Board of Directors of
Light Microfinance Private Limited

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Date: August 11, 2026
Place : Ahmedabad

ANNEXURE A

Form AOC- 1

(Pursuant to rst Āproviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the nancial Āstatement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

1. Number of Subsidiaries: 1 (one)

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

Sl No.	Particulars	
1.	CIN/ any other registration number of subsidiary	U66190DL2025PTC448062
2.	Name of the subsidiary	Light Capital Private Limited
3.	The date since when subsidiary was acquired	May 09,2025
4.	Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii)	As per Section 2(87)(ii)
5.	Reporting period	Year ended March 31,2026
6.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Reporting Currency: N.A. Exchange Rate: N.A
7.	Share capital	Rs. 1,00,000
8.	Reserves and surplus	-
9.	Total Assets	Rs. 3,01,000
10.	Total Liabilities	Rs. 2,01,000
11.	Investments	-
12.	Turnover	-
13.	Prot Ā/ (Loss) before tax	-
14.	Provision for tax	-
15.	Prot Āafter tax	-
16.	Proposed Dividend & tax thereon	-
17.	% of shareholding	99.99%

2. Number of Subsidiaries which are yet to commence business:

Sl No.	CIN / any other registration number	Names of subsidiaries which are yet to commence operation
1.	U66190DL2025PTC448062	Light Capital Private Limited

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

Sl No.	CIN / any other registration number	Names of subsidiaries
1.	N.A.	N.A.

Part B Associates and Joint Ventures

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

4. Number of Associate / Joint Venture: Nil

Sl No.	Particulars	FY 2025-26
1.	Name of Associates or Joint Ventures	N.A
2.	Latest audited Balance Sheet Date	N.A
3.	Date on which the Associate or Joint Venture was associated or acquired	N.A
4.	Shares of Associate or Joint Ventures held by the company on the year end	N.A
	A Number	N.A
	B Amount of Investment in Associates or Joint Venture	N.A
	C Extent of Holding (in percentage)	N.A
5.	Description of how there is signicant Āinfluence	N.A
6.	Reason why the associate/Joint venture ls not consolidated.	N.A
7.	Net worth attributable to shareholding as per latest audited Balance Sheet	N.A
8.	Prot Āor Loss for the year	N.A
	I. Considered in Consolidation	N.A
	ii. Not Considered in Consolidation	N.A

5. Number of associates or joint ventures which are yet to commence operations: Not applicable

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

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

Sl No.	CIN / any other registration number	Names of subsidiaries
1.	N.A.	N.A.

Place : Ahmedabad

Date: 11th August, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

ANNEXURE B

Corporate Government Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

"Corporate governance at Light Microfinance Private Limited ("the Company") is guided by its commitment to the highest standards of governance, anchored in its core values of integrity, empathy, courage, excellence, and innovation across all its actions, operations, and engagements with stakeholders and society at large. These values form the foundation of the Company's governance framework. The Company's governance philosophy is a reflection of its value system and policies and is deeply embedded in its day-to-day business practices, fostering a culture of value-driven and sustainable growth. The Company continuously reviews and updates its policies in line with evolving business requirements and changes in applicable laws and regulations from time to time."

Transparency, fairness, integrity, effective internal controls at each level of operation in each business transaction, adequate and prompt disclosure to respective stakeholders are the key ingredients to the corporate governance.

Over the years, the Company has strengthened its corporate practices and disclosures. The Company also ensured good corporate governance and risk management practices. At the Company's level, we consider stakeholders as partners in our success and remain committed to maximizing stakeholders' value, be it Customers, Employees, Investors & Shareholders etc. As a good corporate citizen, the Company is committed to adhere to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of our various stakeholders in it thereby paving the way for our long-term success. The Company primarily focuses on empowering underserved women in rural and peri-urban India through accessible income-generating loans, nancial Āinclusion, and sustainable economic growth via the Joint Liability Group model. The Company continues to maintain a healthy relationship with its valued customers, viz. depositors, loan customers, business partners and its various other stakeholder financers. The Company ensured to transparently disclose information to all the stakeholders through its public documents, annual reports, financial results etc.

The Company is in compliance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder, the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, the Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025, and the Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023, as amended from time to time and applicable to the Company. The Company also complies with the applicable requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

"Our mission is to Develop highly reliable, high touch and scalable nancial Āproducts and services through innovative, efficient and effective mobilization of capital and deployment of technology for enabling economic and social growth of our customers."

The Company is committed to learning and adopting the best practices of corporate governance and integrating them into its day-to-day operations.

BOARD OF DIRECTORS

The Board members have professional knowledge and experience in diverse fields, viz. finance, audit, banking, public policy, and legal/judicial, thereby bringing about an enabling environment for value creation through sustainable business growth. We believe that a dynamic, well-informed, and independent Board is essential to ensure the highest standards of corporate governance. Board plays the most pivotal role in overseeing the management in serving and protecting the long-term interest of all its stakeholders. The Company believes in a well-balanced and diverse Board which enriches discussions and enables effective decision making.

The Board, along with its committees, provides leadership and guidance to the Company's management and is responsible for directing, supervising, and controlling the Company's performance. The composition of the Board is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable Reserve Bank of India (RBI) Directions, and the Companies Act, 2013. The diverse skill sets and perspectives of the Board members contribute to well-informed and constructive decision-making, thereby fostering an effective governance environment.

The profile of the Directors of the Company can be accessed on our website at https://www.lightfinance.com/our-team/

COMPOSITION OF THE BOARD

As on March 31, 2026, the Company's Board consists of 9 (Nine) Directors, which includes 3 (Three) Executive Directors and 3 (Three) Non-Executive Directors including 3 (Three) Independent Directors. The Board has Sixteen Committees – Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, IT Strategy Committee, Asset Liability Management Committee, Corporate Social Responsibility Committee, Securities Allotment Committee, Internal Complaints Committee, Shares Transfer Committee, Internal Investigation Committee, Executive Management Committee, Borrowing Committee ,Product Committee, Consumer Protection Committee, Information Security Committee and IT Steering Committee.

The names and categories of the directors on the Board, their attendance at Board Meetings held during the year under review, are given herein below.

Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships$	Remuneration (in Lakhs)			No. of shares held in and convertible instruments held in the NBFC
					Entitled	Attended		Salary and other compensation	Sitting Fee	Commission Details	
1.	Mr. Deepak Amin	23-01-2009	Managing Director & Promoter	01289453	4	4	3	320.65	-	-	Equity Shares - 1,28,99,999 & Share Warrants - 42,87,511
2.	Mr. Rakesh Kumar	01.02.2011	CEO & Executive Director	03430670	4	4	-	254.08	-	-	-
3.	Mr. Aviral Saini	01.06.2011	CFO & Executive Director	03534719	4	4	-	233.09	-	-	-
4.	Mr. Anuj Kumar***	03.12.2015	Independent Director	01198699	3	3	NA	-	9.50	-	-
5.	Ms. Daksha Shah	12.08.2024	Independent Director	00376899	4	4	3	-	8.50	-	-
6.	Mr. Paresh Vora	11.02.2025	Independent Director	01688636	4	4	3	-	8.00	-	-
7.	Mr. Arvind Kodikal	11.02.2025	Nominee Director	07623915	4	4	4	-	-	-	-
8.	Ms. Lise Lindback**	27.05.2025	Nominee Director	09655122	3	3	2	-	-	-	-
9.	Mr. Hiten Parikh****	30.01.2026	Additional Independent Director	01686215	1	1	2	-	2.00	-	-
10.	Mr. Aditya Bhandari*	02.09.2022	Nominee Director	03062463	NA	NA	NA	-	-	-	-
11.	Ms. Parul Hariharan	12.11.2024	Nominee Director	09802386	4	4	-	-	-	-	-

*Resigned w.e.f. April 08, 2025.

**Appointed w.e.f. May 27, 2025.

***Cessation w.e.f. December 01, 2025.

****Appointed w.e.f. January 30, 2026.

$ No. of other Directorships include Private, Public, and Section 8 Companies.

$ None of the directors hold directorships in more than 10 public companies and shall hold office as a director, including any alternate directorship, in more than 20 companies at the same time.

Further, None of the Directors of the Company are related to each other. Accordingly, there are no inter-se relationships amongst the Directors of the Company

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

Sl. No.	Name of Director	Capacity (i.e., Executive/Non-Executive/ Chairman/ Promoter nominee/Independent)	Nature of change (Resignation, Appointment, Change in Designation)	Effective date
1.	Mr. Arvind Kodikal	Nominee Director	Appointment	11.02.2025
2.	Mr. Paresh Vora	Independent Director	Appointment	11.02.2025
3.	Mr. Parveen Kumar Gupta	Independent Director	Resignation	07.06.2023
4.	Mr. Thomas Klungsoeyr	Nominee Director	Change in Designation	22.06.2023
5.	Mr. Aditya Bhandari	Nominee Director	Change in Designation	22.06.2023
6.	Mr. Hemant Contractor	Additional Independent Director	Appointment	01.09.2023
7.	Mr. Hemant Contractor	Additional Independent Director	Resignation	03.01.2024
8.	Mr. Aditya Bhandari	Nominee Director	Resignation	08.04.2025
9.	Ms. Lise Lindback	Nominee Director	Appointment	27.05.2025
10.	Mr. Paresh Vora	Independent Director	Change in Designation	23.06.2025
11.	Mr. Anuj Kumar	Independent Director	Retirement	01.12.2025
12.	Mr. Hiten Parikh	Additional Independent Director	Appointment	30.01.2026
13.	Mr. Hiten Parikh	Independent Director	Change in Designation	26.06.2026

REASONS FOR RESIGNATION / CEASATION:

During the year under review, Mr. Anuj Kumar, Independent Director, ceased to be a Director of the Company with effect from December 01, 2025, upon completion of two consecutive terms of five years. Mr. Aditya Bhandari, Nominee Director, ceased to be a Director of the Company with effect from April 08, 2025 due to the cessation of his employment with agRIF Cooperatief U.A.

PECUNIARY OR OTHER RELATIONSHIP

There is no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, apart from the sitting fees, if any, received by them for attending the Meetings of the Board and Committee(s) thereof. The disclosures of transaction are given in Note. No 29(F) to the standalone financial statement as on March 31, 2026

BOARD MEETINGS

The Board meets at least once a quarter to review the quarterly performance and nancial Āresults of the Company. Members of the Board are free to convene a Board meeting at any time and shall inform the Company Secretary regarding the same. In case of a special and urgent business need, Board approval is taken by passing a resolution(s) by circulation as permitted by law, which is noted and conrmed Āat the subsequent board meeting. The members of the board are expected to attend all the board meetings unless there are any unavoidable circumstances.

Post the board meetings, the Company has a system of communication and follow-up on actions taken by the management as suggested by the Board/Committee(s), and the same is updated to the Board/Committee(s) at its subsequent meetings or earlier, if necessary.

During the Financial Year 2025-26, the Board met 4 (Four) times, i.e., on May 27, 2025, August 11, 2025, November 11, 2025 and February 12, 2026. The gap between two consecutive meetings was less than one hundred and twenty days as required under section 173 of the Act.

BOARD AGENDA

The notices of Board Meetings are given well in advance to all the Directors. The Board members are provided agendas required out the business to be transacted at the Meeting, with well-structured and comprehensive notes on agenda, to enable them to take informed decisions. Agenda papers are circulated at least seven days prior to the date of the Meeting. Additional/ supplementary items are taken up with the permission of the Chair and requisite consent of the Directors. Where it is not practicable to attach any document to the agenda, the same is circulated in the meeting/ placed before the meeting.

COMMITTEES OF THE BOARD AND THEIR COMPOSITION

The composition and functioning of these Committees are in compliance with the applicable provisions of the Companies Act, 2013 and also in consonance with the Applicable RBI guidelines, the following committees were in operation as on March 31, 2026:

Sl. No.	Name of Committee
1	Audit Committee
2	Nomination and Remuneration Committee
3	Risk Management Committee
4	Asset & Liability Management Committee
5	IT Strategy Committee
6	Corporate Social Responsibility Committee
7	Securities Allotment Committee
8	Internal Complaint Committee
9	Product Committee
10	Shares Transfer Committee
11	Internal Investigation Committee
12	Executive Management Committee
13	Borrowing Committee
14	Consumer Protection Committee
15	IT Steering Committee
16	Information Security Committee

1. AUDIT COMMITTEE

During the year under review, the Members of the Audit Committee (AC) of the Company met 04 (Four) times, i.e., on May 27, 2025, August 11, 2025, November 11, 2025 and February 12, 2026.The names of the members of the Committee, and their attendance at the Audit Committee Meeting are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Anuj Kumar***	30.08.2016	Independent Director	3	3	-
2.	Ms. Daksha Shah	12.08.2024	Independent Director	4	4	-
3.	Mr. Arvind Kodikal**	27.05.2025	Nominee Director	3	3	-
4.	Mr. Hiten Parikh****	30.01.2026	Additional Independent Director	1	1	-
5.	Mr. Aditya Bhandari*	10.02.2023	Nominee Director	-	-	-

*Ceased to be member w.e.f. April 08, 2025.

**Appointed as member w.e.f. May 27, 2025.

***Ceased to be member w.e.f. December 01, 2025.

****Appointed as member w.e.f. January 30, 2026.

Terms of Reference of the Audit Committee includes

a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company.

b) review and monitor the auditor's independence and performance, and effectiveness of audit process.

c) examination of the financial statement and the auditors' report thereon.

d) reviewing with the management, the quarterly/half yearly/annually nancial Āresults / statements before the submission to the board for approval.

e) review of changes, if any, in accounting policies and practices and reasons for the same.

f) approval or any subsequent modification of transactions of the company with related parties.

g) scrutiny of inter-corporate loans and investments.

h) valuation of undertakings or assets of the company, wherever it is necessary.

I) evaluation of internal financial controls and risk management systems.

j) monitoring the end use of funds raised through public offers and related matters.

k) Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems.

l) Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

m) Discussion with internal auditors of any significant findings and follow up there on.

n) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well post audit discussion to ascertain any area of concern.

o) To review the functioning of the whistle blower mechanism.

p) Ensuring that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

q) To overview the compliance laid by the regulators.

r) Any other responsibility as may be assigned by the board from time to time or as is mentioned in the terms of reference of the audit committee.

2. NOMINATION AND REMUNERATION COMMITTEE

During the year under review, Members of the Nomination and Remuneration Committee (NRC) of the Company met 04 (Four) times, i.e., on May 27, 2025, August 11, 2025, November 11, 2025 and February 12, 2026. The names of the members of the Committee, and their attendance at the Nomination and Remuneration Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Anuj Kumar***	25.05.2016	Independent Director	3	3	-
2.	Ms. Daksha Shah	12.08.2024	Independent Director	4	4	-
3.	Ms. Parul Hariharan**	27.05.2025	Nominee Director	3	3	-
4.	Mr. Paresh Vora**	27.05.2025	Independent Director	3	3	-
5.	Mr. Hiten Parikh****	30.01.2026	Additional Independent Director	1	1	-
6.	Mr. Aditya Bhandari*	12.08.2024	Nominee Director	-	-	-

*Ceased to be member w.e.f. April 08, 2025.

**Appointed as member w.e.f. May 27, 2025.

***Ceased to be member w.e.f. December 01, 2025.

****Appointed as member w.e.f. January 30, 2026.

Terms of Reference of the Nomination and Remuneration Committee includes

a) To formulate a criteria for determining qualifications, positive attributes, and independence of a Director.

b) To ensure 'fit and proper' status of proposed/ existing Directors.

c) Identifying persons who are qualied Ā to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal. Review the adequacy of Board diversity.

d) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

e) To recommend to the Board the appointment and removal of Senior Management.

f) To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.

g) To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.

h) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

I) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmark.

j) To act as the ESOP Committee and administer and manage the ESOP scheme.

k) Any other responsibility as may be assigned by the board from time to time or as is mentioned in the terms of reference of the Nomination and Remuneration committee

3. RISK MANAGEMENT COMMITTEE

During the year under review, Members of the Risk Management Committee (RMC) of the Company met 04 (Four) times, i.e. on May 27, 2025, August 11, 2025, November 11, 2025 and February 12, 2026.The names of the members of the Committee, and their attendance at the Risk Management Committee Meetings are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Deepak Amin	06.12.2019	Managing Director & Promoter	4	4	1,28,99,999
2.	Mr. Rakesh Kumar	06.12.2019	CEO & Executive Director	4	4	-
3.	Mr. Aviral Saini	06.12.2019	CFO & Executive Director	4	4	-
4.	Mr. Anuj Kumar*	06.12.2019	Independent Director	3	3	-

*Ceased to be member w.e.f. December 01, 2025.

Note: Ms. Lise Lindback is appointed as member of the committee on May 27,2026.

Terms of Reference of the Risk Management Committee includes:

a) To monitor and review the risk management plan.

b) To review operational risk (including sub risk for operational risk), information technology risk and integrity risk.

c) To take strategic actions to mitigate the risk associated with the nature of the business.

d) To appraise the Board of Directors at regular intervals regarding the process of putting in place a progressive risk management system, risk management policy and strategy.

e) To do such other acts, deeds, and things as may be directed by the Board and required to comply with the applicable laws; and

f) To lay down procedure to inform Board members about the risk assessment and minimization procedure.

4. ASSET LIABILITY MANAGEMENT COMMITTEE

During the year under review, Members of the Asset Liability Management Committee of the Company met 06 (Six) times, i.e. on April 24, 2025, July 17, 2025, August 26, 2025, October 14, 2025, November 24, 2025 and January 19, 2026.The names of the members of the Committee, and their attendance at the Asset Liability Management Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Deepak Amin	03.04.2019	Managing Director & Promoter	6	6	1,28,99,999
2.	Mr. Rakesh Kumar	19.06.2018	CEO & Executive Director	6	6	-
3.	Mr. Aviral Saini	19.06.2018	CFO & Executive Director	6	6	-

Terms of Reference of the Asset Liability Management Committee includes:

a) Addressing concerns regarding asset liability mismatches.

b) Achieving optimal return on capital employed while maintaining acceptable levels of risk relating to liquidity.

c) Addressing concerns regarding interest rate risk exposure; and

d) To do such other acts, deeds, and things as may be directed by the Board and required to comply with the applicable laws.

5. IT STRATEGY COMMITTEE

During the year under review, Members of the IT Strategy Committee of the Company met 04 (Four) times, i.e. on May 27, 2025, August 11, 2025, November 11, 2025 and February 12, 2026. The names of the members of the Committee, and their attendance at the IT Strategy Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Paresh Vora**	27.05.2025	Chairman & Independent Director	4	4	-
2.	Mr. Deepak Amin	18.02.2021	Managing Director & Promoter	4	4	1,28,99,999
3.	Mr. Rakesh Kumar	18.02.2021	CEO & Executive Director	4	4	-
4.	Mr. Aviral Saini	18.02.2021	CFO & Executive Director	4	4	-
5.	Mr. Anuj Kumar***	18.02.2021	Independent Director	3	3	-
6.	Mr. Satish Dhupdale	18.02.2021	Member	4	4	-
7.	Mr. Aditya Bhandari*	10.02.2023	Nominee Director	-	-	-

*Ceased to be member w.e.f. April 08, 2025.

**Appointed as member & chairman w.e.f. May 27, 2025.

***Ceased to be member w.e.f. December 01, 2025.

Pursuant to the Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023, dated November 07, 2023 (applicable from April 01, 2024), the Company has also constituted an Information Security Committee and an IT Steering Committee.

Terms of Reference of the IT Strategy Committee includes

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

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

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

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

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

f) To do such other acts, deeds, and things as may be directed by the Board and required to comply with the applicable laws.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

During the year under review, Members of the Corporate Social Responsibility Committee of the Company met 01 (One) time, i.e. on May 27, 2025. The names of the members of the Committee, and their attendance at the CSR Committee Meetings are as under

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Deepak Amin	11.11.2020	Managing Director & Promoter	1	1	1,28,99,999
2.	Mr. Rakesh Kumar	11.11.2020	CEO & Executive Director	1	1	-
3.	Mr. Aviral Saini	11.11.2020	CFO & Executive Director	1	1	-
4.	Mr. Paresh Vora*	27.05.2025	Independent Director	-	-	-

*Appointed as member w.e.f. May 27, 2025

Terms of Reference of the Corporate Social Responsibility Committee includes

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;

b) To review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and;

c) To monitor the Corporate Social Responsibility Policy of the company from time to time;

d) Any other matter as the CSR Committee may be directed by the Board from time to time.

7. SECURITIES ALLOTMENT COMMITTEE

During the year under review, Members of the Securities Allotment Committee (SAC) of the Company met 02 (Two) times, i.e. on May 30, 2025 and January 28, 2026.The names of the members of the Committee, and their attendance at the Securities Allotment Committee Meetings are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Deepak Amin	03.04.2019	Managing Director & Promoter	2	2	1,28,99,999
2.	Mr. Rakesh Kumar	29.12.2017	CEO & Executive Director	2	2	-
3.	Mr. Aviral Saini	29.12.2017	CFO & Executive Director	2	2	-

Terms of Reference of the Securities Allotment Committee

The Securities Allotment Committee deals with the matters relating to the allotment of Share(s)/Debenture(s), and all other matters as prescribed and delegated to the Committee by the Board from time to time.

8. INTERNAL COMPLAINTS COMMITTEE (ICC)

During the year under review, Members of the Internal Complaints Committee (ICC) of the Company met 04 (Four) times, i.e. on April 21, 2025, July 17, 2025, October 16, 2025 and January 16, 2026. The names of the members of the Committee, and their attendance at the Internal Complaints Committee Meetings are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Ms. Anjali Shah******	03.06.2024	Chairperson- Presiding Officer	4	4	-
2.	Dr. Damini Shah*****	10.02.2023	External Member	4	3	-
3.	Mr. Pratik Soyantar*	21.04.2025	Member	4	4	-
4.	Ms. Nidhi Shah	10.02.2023	Member	4	4	-
5.	Ms. Varsha Wardhani	24.01.2024	Member	4	4	-
6.	Ms. Preeti Yadav**	21.04.2025	Member	2	2	-
7.	Mr. Sanjay Solanki***	16.01.2026	Member	1	1	-
8.	Ms. Monica Nayak***	16.01.2026	Member	1	1	-
9.	Ms. Barkha Singh****	22.01.2026	External Member	0	0	-

*Appointed as member w.e.f. April 21, 2025.

**Appointed as member w.e.f. April 21, 2025 and ceased to be member w.e.f. July 31, 2025.

***Appointed as member w.e.f. January 16, 2026.

****Appointed as member w.e.f. January 22, 2026.

*****Ceased to be member w.e.f. January 22, 2026

******Ceased to be member w.e.f. February 02, 2026.

Terms of Reference of the Internal Complaints Committee includes

a. Receive, investigate, and address complaints of sexual harassment in the workplace. This includes providing a safe platform for victims to report incidents without fear of retaliation.

b. Upon receiving a complaint, the committee conducts a fair and impartial investigation to gather evidence and determine the validity of the complaint. This often involves interviewing the complainant, the accused, and any witnesses.

c. Raises awareness about sexual harassment and educate employees about their rights and responsibilities. They may conduct training sessions to help employees recognize and prevent harassment in the workplace.

d. Ensure that the organization's prevention of sexual harassment policy is effectively implemented and followed. They may review and update policies as needed to reflect changes in laws or best practices.

e. Any other matter as the ICC may be directed by the Board from time to time.

9. PRODUCT COMMITTEE

During the year under review, Members of the Product Committee of the Company met 10 (Ten) times, i.e. on April 15, 2025, May 05, 2025, July 11, 2025, August 01,2025, August 22, 2025, October 09, 2025,October 17, 2025, January 13, 2026, January 20, 2026 and March 09, 2026 The names of the members of the Committee, and their attendance at the Product Committee Meetings are as under. Further, The Committee may, based on the nature and structure of the product under consideration, engage and seek inputs from relevant departments, including Business, Risk, Compliance, Operations, Information Technology, Finance and other functional teams, to facilitate a comprehensive assessment and effective implementation of the product framework:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Aviral Saini	23.05.2024	CFO & Executive Director	10	10	-
2.	Ms. Madhavi Gajjar	23.05.2024	Member	10	10	-

Terms of Reference of the Product Committee

The primary role of the Product Committee is to prepare and support the decisions to be made by the Board of Directors as a whole on product management and to study and prepare strategic plans including monitoring and guiding for product diversication Āto improve the performance of the Company and ensuring long term value creation. The committee evaluates the performance of each loan product and also reviews the proposal for new loan products.

10. SHARES TRANSFER COMMITTEE

During the year under review, no share transfers were registered; therefore, no meeting was held.

Terms of Reference of the Share Transfer Committee:

To approve registration of transfer of shares received by the Company and further to:

a) Approve and register transfer/transmission of shares.
b) Sub-divide, consolidate and issue share certificates.
c) Authorize affixation of common seal of the Company on Share Certificates.
d) Issue share certificates in place of those which are damaged, or in which the space for endorsement has been exhausted, provide the Original certificates are surrendered to the company.

11. INTERNAL INVESTIGATION COMMITTEE

During the year under review, Members of the Internal Investigation Committee (IIC) of the Company met 25 (Twenty-Five) times.

Terms of Reference of the Internal Investigation Committee:

a) Investigate suspected and detected frauds in a timely, fair, and independent manner.
b) Determine the root cause, modus operandi, and persons responsible.
c) Recommend corrective, preventive, disciplinary, and legal actions.
d) Ensure compliance with applicable RBI Directions and statutory requirements.

12. EXECUTIVE MANAGEMENT COMMITTEE

During the year under review, Members of the Executive Management Committee met 19 (Nineteen) times.

Terms of Reference of the Executive Management Committee:

a) Opening and closing of bank account(s) / safe deposit locker facility with various banks, including the change in the authorized signatories for such bank accounts and to alter the operating instructions thereof;
b) Opening and closing of branch offices of the Company and other related matters with operating of branch offices;
c) To grant authority to, and / or issue specic ĀPowers of Attorney in favour of, employees /agents /legal counsel / consultants and other similar persons to enable them to act on behalf & for the purposes of the Company;
d) To grant authority to deal in legal matters and representation of the Company before various authorities;
e) To approve and take all decisions relating to Trusts settled / to be settled by the Company for welfare or benets Āof its employees and their families, including but not limited to, matters relating to settlement of Trust, registration thereof, objectives of such Trusts, executing relevant legal documents, and dissolution thereof;
f) Authority under various direct and indirect taxation matters at various locations / Branches of the Company;

g) To grant authority to represent before various Governmental Authorities;
h) Any other routine matter not requiring approval of the Board under any law or Articles of Association of the Company;
I) To grant approval and authorization for the Car Loan in accordance with the Employee Car Loan Policy.
j) To grant authority to amend the framework for availing car loan facilities by Key Managerial Personnel (KMP), without altering the existing limit on the on-road price of the vehicle.
k) Any other business that may be assigned by the Board.

13. BORROWING COMMITTEE

During the year under review, Members of the Borrowing Committee met 25 (Twenty-Five) times.

Terms of Reference of the Borrowing Committee:

a) To negotiate, approve, nalise Āand execute or ratify, on behalf of the Company, the terms and conditions in respect of Issue, including but not limited to, the amount, rate of interest, tenure etc;
b) To finalise, execute, sign, amend, modify, ratify, renew, such agreements, schedules, annexes, supplements, memorandums, undertakings, documents, writings, deeds, papers, letters including the Transaction Documents as may be required for the issuance of the Debentures and to submit the necessary documents, obtain necessary approvals and provide the desired information to the relevant authorities, on behalf of the Company, for the purpose of issuing the said Debentures;
c) Negotiate, finalise, sign, execute and deliver the Transaction Documents on behalf of the Company, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future);
d) Execute or ratify the necessary or requisite agreement(s) with the National Securities Depository Limited and/or Central Depository Services (India) Limited and any other agreements, undertakings or other writings required for the issue of the Debentures in the dematerialised form;
e) To do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the resolutions contained herein including without limitation sign and/or dispatch all documents, certificates and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;
f) To obtain all necessary authorisations from governmental authorities and/or third parties as may be required in connection with the transactions contemplated under each of the Transaction Documents and complete all formalities in respect thereto;
g) To do all such acts, deeds and things as may be necessary or expedient to implement the aforesaid resolutions and to do and execute all acts and deeds as may be required in connection with the issue of the Debentures and/or as may be required by the holders of the Debentures and/or the debenture trustee in connection with the aforesaid;
h) To arrange for payment of all applicable stamp duty in respect of the Transaction Documents and/or the Debentures; and
I) To nominate the officers of the Company to execute other transaction related documents in relation to the issue of the Debentures.

14. CONSUMER PROTECTION COMMITTEE

During the year under review, Members of the Consumer Protection Committee of the Company met 03 (Three) times, i.e. on July 09, 2025, October 13, 2025 and January 19, 2026. The names of the members of the Committee, and their attendance at the Consumer Protection Committee Meetings are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Aviral Saini	27.05.2025	CFO & Executive Director	3	3	-
2.	Ms. Madhavi Gajjar	27.05.2025	Member	3	3	-
3.	Mr. Sheetansh Singh	27.05.2025	Member	3	3	-

Terms of Reference of the Consumer Protection Committee

a) Review and oversee customer protection policies, including the Fair Practices Code and grievance redressal framework, and recommend changes as required.
b) Monitor customer complaints and the effectiveness of the grievance redressal mechanism, ensuring timely and fair resolution.

c) Promote customer awareness and nancial Āliteracy initiatives and review customer communication for transparency and clarity.

d) Review signicant Āor escalated customer complaints and recommend corrective measures to improve customer service and experience.

e) Ensure compliance with applicable consumer protection regulations and RBI guidelines and undertake such other responsibilities as may be assigned by the Board from time to time.

15. IT STEERING COMMITTEE

During the year under review, Members of the IT Steering Committee of the Company met 04 (Four) times, i.e. on May 05, 2025, July 11, 2025, October 10, 2025 and January 13, 2026. The names of the members of the Committee, and their attendance at the IT Steering Committee Meetings are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Aviral Saini	12.11.2024	CFO & Executive Director	4	4	-
2.	Mr. Satish Dhupdale	12.11.2024	Member	4	4	-
3.	Mr. Ashutosh Kumar Singh	12.11.2024	Member	4	4	-

Terms of Reference of the IT Steering Committee

a) Provide oversight of major IT initiatives and projects and support the IT Strategy Committee in aligning IT strategy with the Company's business objectives.

b) Monitor IT performance and effectiveness and oversee the implementation of a robust IT architecture that complies with applicable statutory and regulatory requirements.

c) Review and oversee the adequacy of business continuity, disaster recovery, and other IT risk management frameworks.

d) Strengthen IT governance by reviewing key IT matters and reporting signicant Ādevelopments, recommendations, and committee activities to the IT Strategy Committee and the MD & CEO.

e) Perform such other functions relating to information technology, digital initiatives, and IT governance as may be assigned by the Board, the IT Strategy Committee, or the MD & CEO from time to time.

16. INFORMATION SECURITY COMMITTEE

During the year under review, Members of the Information Security Committee of the Company met 04 (Four) times, i.e. on May 05, 2025, July 11, 2025, October 10, 2025 and January 13, 2026. The names of the members of the Committee, and their attendance at the Information Security Committee Meetings are as under:

Sl. No.	Name of Director	Member of Committee Since	Capacity (i.e., Executive / Non-Executive/ Chairman/ Promoter/ Nominee/Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Entitled	Attended	
1.	Mr. Aviral Saini	12.11.2024	CFO & Executive Director	4	4	-
2.	Mr. Satish Dhupdale	12.11.2024	Member	4	4	-
3.	Mr. Ashutosh Kumar Singh	12.11.2024	Member	4	4	-
4.	Mr. Vishnu Vardan	12.11.2024	Member	4	4	-

Terms of Reference of the Information Security Committee

a) Review security strategy and approve major policy or security strategy changes.

b) Assist integration efforts by business unit managers and process owners.

c) Identify emerging risks and compliance issues.

d) Promote business unit security practices.

e) Review and advise adequacy of security initiatives to serve business functions.

f) Determine extent of value delivered from cybersecurity program.

g) Review and assure the Board of Directors that security initiatives meet business objectives.

h) Coordinate various programs under the Company's cyber security framework.

I) Any other responsibilities that are incidental or necessary for fullling Āthe assigned duties, or as directed by the Board from time to time.

GENERAL BODY MEETINGS

Details of the location, day, date, and time of the General Meetings held during the year, and Resolutions passed thereat are given below:

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Day, Date, Time, and Place	Special Resolutions passed
1.	Extra-Ordinary General Meeting	Monday, June 23, 2025 at 11:30 AM & The meeting was convened through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	1. To consider and approve issuance of non-convertible debentures (NCD) through private placement one year from the date of members approval. 2. Regularization of Mr. Paresh Vora (DIN:01688636) as an independent director 3. egularization of Mr. Arvind Kodikal (DIN: 07623915) as a nominee director representing M/s Pettelaar Effectenbewaarbedrijf NV (existing CCPS series holder) 4. Regularization of Ms. Parul Hariharan (DIN:09802386) as a nominee director representing British International Investment [BII] [existing CCPS series B and equity holder]. 5 Regularization of Ms. Daksha Shah (DIN: 00376899) as an independent director 6. Regularization of Ms. Lise Lindback (DIN: 09655122) as a nominee director representing m/s abler Nordic fund iv KS (existing CCPS series holder)
2.	Extra-Ordinary General Meeting	Tuesday, July 22, 2025 at 11:30 AM & The meeting was convened through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	No Special Resolutions passed in this EGM
3.	Annual General Meeting	Tuesday, September 23, 2025 at 11:30 AM & The meeting was convened through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	No Special Resolutions passed in this AGM

DETAILS OF NON-COMPLIANCE WITH REQUIREMENTS OF THE COMPANIES ACT, 2013

During the year under review, there has been no default in compliance with the requirements of the Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

DETAILS OF PENALTIES AND STRICTURES

During the year under review, no penalties or stricture has been imposed on the Company by the Reserve Bank of India or any other statutory authority.

BREACH OF COVENANT

Details are provided in the Standalone Financial Statements - refer note no. 29(VV).

RELATED PARTY TRANSACTIONS

During the nancial Āyear under review, all the related party transactions entered into by your company were on an arm's length basis and were in the ordinary course of business and were not considered as material pursuant to the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its powers) Rules, 2014. Hence, disclosure in Form AOC- 2 under section 134(3)(h) of the Act, read with rule 8 of Companies (Accounts of Companies) Rules, 2014 is not required. The policy on dealing with Related Party Transactions is a on the Company' website at https://www.lightfinance.com/resources/

There were no materially signicant Ā related party transactions made by your Company with its promoters, directors, key managerial personnel or other designated persons, which might have any conflict with the interest of the Company. Disclosures of transactions with related party for the nancial Āyear, as per Accounting Standard – 18 Related Party Disclosures are provided in Note. No 29 (F) to the Standalone Financial Statements as on March 31, 2026.

DEBENTURES

Company has issued Non-Convertible Debentures through private placement during the year

ISIN Number	Numbers of NCD	Face Value	Holder Name	Listed at
INE366T07188	7390	Rs. 1,00,000/-	UTI INTERNATIONAL WEALTH CREATOR 4	BSE Limited
INE366T07196	4000	Rs. 1,00,000/-	VIVRITI FIXED INCOME FUND - SERIES 3 IFSC LLP-VRR	BSE Limited

The details of debenture trustee for the above mentioned Non-Convertible debentures issued by the Company during FY 2025-26 is as under:

Name of Debenture trustee	Catalyst Trusteeship Limited
Registered office	910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi –110001
CIN	L74999MH2015PLC271288

FINANCIAL CALENDAR

For the financial year ended March 31, 2026, the financial results of the Company were announced on:

Sl. No.	Quarter	Date of Announcement
1.	First quarter ended June 30, 2025.	August 11, 2025
2.	Second quarter ended September 30, 2025.	November 11, 2025
3.	Third quarter ended December 31, 2025.	February 12, 2026
4.	Fourth quarter ended March 31, 2026.	May 27, 2026

MEANS OF COMMUNICATION

(a) **Results:**

The Company's website, viz., Resource- Light Microfinance Private Limited under the section of 'Investor Portal', contains all important information including financial results, various policies framed/ approved by the Board.

(b) **Newspapers wherein results are normally published:**

The quarterly, half-yearly, and annual nancial Ā results were published in English and Vernacular newspapers, having nationwide circulation.

(c) **Website, where displayed:**

The nancial Āresults and the official news releases are also placed on the Company's website www.lightfinance.com in the 'Investors Portal' section on the following link - https://www.lightfinance.com/resources/

(d) **Annual Report**

The Annual Report containing, inter-alia, the audited nancial Āstatements, Board's Report, Auditors' Report, Management Discussion and Analysis (MDA) report and other important information is circulated to shareholders and other stakeholders and is also available on the Company's website at https://www.lightfinance.com/resources/ in the 'Investor Portal' section.

(e) **Official news releases**

All nancial Āreleases and documents under the SEBI (LODR), 2015 are also communicated to the concerned stock exchange, besides being placed on the Company's website.

ONLINE DISPUTE RESOLUTION (ODR) MECHANISM

In order to streamline the dispute resolution mechanism in the securities market, SEBI vide its circular dated 31 July 2023, as amended from time to time, read with Master Circular no. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28 December 2023, introduced a common Online Dispute Resolution ("ODR") mechanism which harnesses online conciliation and arbitration for resolution of all kinds of disputes relating to securities market.

Under ODR mechanism, an investor shall rst Ātake up his/her/their grievance by lodging a complaint directly with the concerned Market Participant viz., Company. If the grievance is not redressed satisfactorily at the rst Āphase, the investor may escalate the same through the SCORES Portal in accordance with the process laid out therein. ODR Mechanism provides a third level of escalation, if the investor is not satised Āwith the resolution provided by the Company, the investor may initiate the dispute through the ODR portal within the timeframe prescribed under the circular. The ODR portal can be accessed at https://smartodr.in/login.

INVESTORS COMPLAINTS

Details of Complaints received from the Debenture holder and redressed during FY 2025-26 are as follows:

Sl. No.	Opening at the beginning of the Financial Year	Received during the Financial Year	Resolved during the Financial Year	Closing at the end of the Financial Year
NIL	NIL	NIL	NIL	NIL

NAME, DESIGNATION, AND ADDRESS OF THE COMPLIANCE OFFICER UNDER SEBI (LODR) REGULATIONS, 2015

Ms. Madhavi Gajjar, Company Secretary & Compliance Officer
1501, 15th Floor, Sankalp Square 3B, Sindhu Bhavan Road,
B/s Hotel Taj Skyline, Shilaj, Ahmedabad – 380058
Telephone No. +91-79-40050059
E-mail: compliance@lightfinance.com

TRANSFER/TRANSMISSION OF SHARES

The Securities and Exchange Board of India (SEBI), vide its Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and Circular No. MRD/DoP/SE/RTA/Cir-03/2010 dated January 07, 2010 made it mandatory that a copy of the PAN Card is to be furnished to the Company in the following cases:

- deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders and
- transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder.

Investors, therefore, are requested to furnish the self-attested copy of PAN card, at the time of sending the physical share certificate(s) to the Company, for effecting any of the above stated requests.

Shareholders are also requested to keep record of their specimen signature before lodgement of shares with the Company to avoid probability of signature mismatch at a later date.

NOMINATION FACILITY

Shareholder(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective Depository Participants (Dps).

UPDATE YOUR CORRESPONDENCE ADDRESS/ BANK MANDATE/ EMAIL ID

Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details/address/email ID directly with their respective Depository Participants (DPs).

QUOTE DP ID NO.

Shareholders/Benecial ĀOwners are requested to quote their DP ID nos., as the case may be, in all correspondence with the Company.

Shareholders are also requested to quote their Email IDs, Contact/Fax numbers (landline/cellphone) for prompt reply to their correspondence.

THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (A) TO (K) OF REGULATION 62(1) OF SEBI LISTING REGULATIONS

As on March 31, 2026, the Company is a not a High Value Debt Listed Entity. So, the requirements specied Āin Regulations 17 to 27 and other requirements as applicable on the High Value Debt Listed Entity are not applicable to the Company.

Further, Company is in compliances with the clauses (a) to (k) of Regulation 62(1) of SEBI Listing Regulations.

REGISTRAR AND TRANSFER AGENT

All activities in relation to electronic transfer facility with respect to Non-Convertible Debentures (NCDs) are managed by our Registrar & Transfer Agent (RTA) i.e. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) having SEBI Registration No. INR000004058.

ANNEXURE C

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2026

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN: -	U67120DL1994PTC216764
ii	Registration Date	20/09/1994
iii	Name of the Company	LIGHT MICROFINANCE PRIVATE LIMITED
iv	Category / Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
v	Address of the Registered office and contact details	308 Aggarwal Tower, Plot No.2 Sector – 5, Dwarka New Delhi, Delhi, 110075 Contact No.: 079-40050059. Email : info@lightfinance.com
vi	Whether listed company	No
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	MUFG Intime India Private Limited (Formerly Known as "Link Intime India Private Limited") C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Toll-free number: 1800 1020 878 (from 10:00 AM to 4:00 PM) Tel: +91 22 4918 6000, Website: www.in.mpms.mufg.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Microfinance Loans and Non Microfinance Loans (including Loans made through Digital Lending) for income generation activity	64990 (as per NIC code 2008) 641906 (as per NIC code 2025)	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	Light Capital Private Limited Registered Office Address: 308, Agarawal Tower, Plot No. 2 Sector - 5, District Court Complex Dwarka, South West Delhi, Delhi, India, 110075	U66190DL2025PTC448062	Subsidiary	99.99	Section 2(87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity and Preference Share Capital Breakup as percentage of Total Equity and Preference share capital of the Company)

I) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,28,99,999	-	1,28,99,999	16.79%	1,28,99,999	-	1,28,99,999	16.79%	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**1,28,99,999**	**-**	**1,28,99,999**	**16.79%**	**1,28,99,999**	**-**	**1,28,99,999**	**16.79%**	**-**
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other –Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	1,28,99,999	-	1,28,99,999	16.79	1,28,99,999	-	1,28,99,999	16.79	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
I) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	2,98,61,635	2,74,57,382	5,73,19,017	74.60%	2,98,61,635	2,74,57,382	5,73,19,017	74.60%	
b) Individuals	-	-	-	-	-	-	-	-	-
I) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7,30,000	58,88,065	66,18,065	8.61%	7,30,000	58,88,065	66,18,065	8.61%	-
c) Others (specify)									
Sub-total (B)(2):-	**3,05,91,635**	**3,33,45,447**	**6,39,37,082**	**83.21%**	**3,05,91,635**	**3,33,45,447**	**6,39,37,082**	**83.21%**	
Total Public Shareholding(B)= (B)(1)+(B)(2)	**3,05,91,635**	**3,33,45,447**	**6,39,37,082**	**83.21%**	**3,05,91,635**	**3,33,45,447**	**6,39,37,082**	**83.21%**	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**4,34,91,634**	**3,33,45,447**	**7,68,37,081**	**100%**	**4,34,91,634**	**3,33,45,447**	**7,68,37,081**	**100%**	-

(ii) Shareholding of Promoters:

Name	Shareholding as at April 01, 2025		Date wise Increase/ Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at March 31, 2026	
	No. of Shares	% of shares	Date	No. of Shares	Reason	No. of Shares	% of shares	No. of Shares	% of shares
Deepak Amin	1,28,99,999	16.79%	-	-	-	1,28,99,999	16.79%	1,28,99,999	16.79%

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

[For each of the Top 10 Shareholders]:

Name	Shareholding as at April 01, 2025		Date wise Increase/ Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at March 31, 2026	
	No. of Shares	% of shares	Date	No. of Shares	Reason	No. of Shares	% of shares	No. of Shares	% of shares
Abler Nordic Fund IV KS (Formerly Known as NMI Fund IV KS)	1,82,32,626	23.74%	-	-	-	1,82,32,626	23.74%	1,82,32,626	23.74%
Pettelaar Effectenbewaarbedrijf N.V	1,31,11,620	17.06%	-	-	-	1,31,11,620	17.06%	1,31,11,620	17.06%
British International Investment PLC	1,16,29,009	15.13%	-	-	-	1,16,29,009	15.13%	1,16,29,009	15.13%
agRIF Cooperatief U.A.	88,13,827	11.48%	-	-	-	88,13,827	11.48%	88,13,827	11.48%
Kaushik Amin	58,88,065	7.66%	-	-	-	58,88,065	7.66%	58,88,065	7.66%
VARK NAL Holdings Inc.	5,531,935	7.20 %	-	-	-	5,531,935	7.20 %	5,531,935	7.20 %
Geeta Amin	7,30,000	0.95 %	-	-	-	7,30,000	0.95 %	7,30,000	0.95 %

(iv) Shareholding of Directors and Key Managerial Personnel:

Name	Shareholding as at April 01, 2025		Date wise Increase/ Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at March 31, 2026	
	No. of Shares	% of shares	Date	No. of Shares	Reason	No. of Shares	% of shares	No. of Shares	% of shares
Mr. Deepak Amin	1,28,99,999	16.79%	-	-	-	1,28,99,999	16.79%	1,28,99,999	16.79%
Mr. Rakesh Kumar	-	-	-	-	-	-	-	-	-
Mr. Aviral Saini	-	-	-	-	-	-	-	-	-
Mr. Anuj Kumar***	-	-	-	-	-	-	-	-	-
Ms. Daksha Shah	-	-	-	-	-	-	-	-	-
Ms. Parul Hariharan	-	-	-	-	-	-	-	-	-
Mr. Paresh Vohra	-	-	-	-	-	-	-	-	-
Mr. Arvind Kodikal	-	-	-	-	-	-	-	-	-
Mr. Lise Lindback**	-	-	-	-	-	-	-	-	-
Mr. Hitesh Parikh****	-	-	-	-	-	-	-	-	-
Mr. Aditya Bhandari*	-	-	-	-	-	-	-	-	-

*Mr. Aditya Bhandari has resigned as Nominee Director with effect from April 08, 2025

**Ms. Lise Lindback was appointed as Nominee Director with effect from May 27, 2025.

***Mr. Anuj Kumar Ceased as Independent Director with effect from December 01, 2025.

****Mr. Hiten Parikh was appointed as Additional Independent Director with effect from January 30, 2026 and regularized in the Extraordinary General Meeting held on June 26,2026 as an Independent Director.

V. INDEBTEDNESS :

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

(Amount in ₹ Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the nancial Āyear				
i) Principal Amount	1,18,590.30	10,844.74	-	1,29,435.04
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	926.54	11.49	-	938.03
iv) Short term borrowing	-	-	-	-
Total (i+ii+iii)	**1,19,516.84**	**10,856.23**	**-**	**1,30,373.07**
Change in Indebtedness during the nancial Āyear				
• Addition	48,404.20	4,000.00	-	52,404.20
• Reduction	(79,191.30)	(108.22)	-	(79,299.52)
• Reduction in short-term borrowing	-	-	-	-
• Interest accrued but not due	102.81	1.42	-	104.23
Net Change	**(30,684.29)**	**3,893.20**	**-**	**(26,791.09)**
Indebtedness at the end of the nancial Āyear				
I) Principal Amount	87,803.20	14,736.52	-	1,02,539.72
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,029.35	12.91	-	1,042.26
iv) Short term borrowing	-	-	-	-
Total (i+ii+iii)	**88,832.55**	**14,749.43**	**-**	**1,03,581.98**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹ Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Deepak Amin (Managing Director)	Mr. Rakesh Kumar (CEO & Executive Director)	Mr. Aviral Saini (CFO & Executive Director)	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	256.30	211.20	183.70	651.2
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961.	-	-	-	-
	(c) Prots Āin lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option (in number)	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of prot Ā	-	-	-	-
	- others, specify…	-	-	-	-
5.	Others – Incentive	64.35	42.87	49.38	156.6
	Total (A)	**320.65**	**254.07**	**233.08**	**807.8**
	Ceiling as per the Act	-	-	-	-

B. Remuneration to other directors:

(Amount in ₹ Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				
I.	Independent Directors	Mr. Hiten Parikh	Mr. Anuj Kumar	Mr. Daksha Shah	Mr. Paresh Vora	Total Amount
	Fee for attending board / committee meetings	2	9.5	8.5	8	28
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	**2**	**9.5**	**8.5**	**8**	**28**
II.	Other Non-Executive Directors	Mr. Lise Lindback	Mr. Aditya Bhandari	Ms. Parul Hariharan	Mr. Arvind Kodikal	Total Amount
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**
	Total Remuneration (B) = (1+2)	**2**	**9.5**	**8.5**	**8**	**28**
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Amount in ₹ Lakhs)

Sl. No.	Particulars of Remuneration		Total Amount
	Name of Key Managerial Personnel	Ms. Madhavi Gajjar (Chief Compliance Officer & Company Secretary)	
1.	Gross salary	25.50	25.50
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961.	-	-
	(c) Prots Āin lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option (in numbers)	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of prot Ā	-	-
	- others, specify…	-	-
5.	Others, incentive	3.30	3.30
	Total	**28.80**	**28.80**
6.	**Total Managerial Remuneration**	**28.80**	**28.80**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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

On behalf of the Board

For Light Microfinance Private Limited

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Date: August 11, 2026
Place : Ahmedabad

CSR Report

ANNEXURE D

1. **Brief outline on CSR Policy of the Company:**

   Corporate Social Responsibility (CSR) initiative aims at having a long-term sustainable impact on the community. The CSR Policy of the company has been designed keeping in view the company's business vision, its CSR vision and long term social objectives that the company wants to achieve. The CSR Policy has been created with the purpose to outline its CSR focus areas, review mechanism, execution process and reporting mechanism and it also provides an overview of the projects or programs that could be undertaken by the company from time to time.

   The Corporate Social Responsibility policy of the company covers the regulatory requirements.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Name of Director Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Deepak Amin	(Member) / Managing Director	1	1
2	Mr. Rakesh Kumar	(Member) / CEO & Executive Director	1	1
3	Mr. Aviral Saini	(Member) / CFO & Executive Director	1	1
4	Mr. Paresh Vora	(Member) / Independent Director	-*	-*

*Appointed w.e.f. May 27, 2025.

The meeting was held on May 27, 2025.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: https://www.lightfinance.com/resources/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable for the financial year under review

5. (a) Average net profit of the company as per sub-section (5) of section 135: Rs 40,07,09,458
   (b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs 80,14,189
   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
   (d) Amount required to be set-off for the financial year, if any: NIL
   (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs 80,14,189

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs 80,15,998/-
   (b) Amount spent in Administrative Overheads: NIL
   (c) Amount spent on Impact Assessment, if applicable: Not Applicable
   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs 80,15,998/-
   (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.			Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.	
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs 80,15,998/-	NIL	-	-	NIL	-

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

Sl. No.	Particular	Amount (in Rs)
1	Two percent of average net prot Āof the company as per section 135(5)	Rs 80,14,189/-
2	Total amount spent for the Financial Year	Rs 80,15,998/-
3	Excess amount spent for the nancial Āyear [(ii)-(I)]	Rs 1,809/-
4	Surplus arising out of the CSR projects or programmes or activities of the previous nancial Āyears, if any	NIL
5	Amount available for set off in succeeding nancial Āyears [(iii)-(iv)]	Rs 1,809/-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1 Sl. No.	2 Preceding Financial Year(s)	3 Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	4 Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	5 Amount Spent in the Financial Year (in Rs)	6 Amount transferred to a Fund as specied Ā under Schedule VII as per second provison to sub-section (5) of section 135, if any		7 Amount remaining to be spent in succeeding Financial Years (in Rs)	8 Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	2024-25							
2	2023-24				NIL			
3	2022-23							

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

   If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**

Sl. No. 1	Short particulars of the property or asset(s) [including complete address and location of the property] 2	Pincode of the property or asset(s) 3	Date of creation 4	Amount of CSR amount spent 5	Details of entity/ Authority/ beneficiary of the registered owner 6		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net prot Āas per sub-section (5) of section 135. Not applicable as the company has spend full amount of CSR as per the regulatory requirement.

On behalf of the Board

For Light Microfinance Private Limited

Place : Ahmedabad

Date: May 27, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

ANNEXURE E

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026

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

To,
The Members,
Light Microfinance Private Limited,
CIN: U67120DL1994PTC216764
308 Aggarwal Tower, Plot No. 2 Sector-5,
Dwarka, New Delhi, India, 110075

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Light Microfinance Private Limited,** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's Responsibility

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and provided either as hard copies or scanned copies by email and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the nancial Āyear ended on 31st March, 2026 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns led Āand other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

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

ii The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not Applicable to the Company during the Audit Period);**

iii The Depositories Act, 1996 as amended by the Securities Laws (Amendment) Act, 2014 and the Regulations and Bye-laws framed thereunder;

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

V The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period);**

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

d. Securities and Exchange Board of India (Share based Employee Benets Āand Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 [superseding the SEBI (Issue and Listing of Debt Securities) Regulations, 2008];

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

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test -check basis the Company has complied with the following specic Ā laws to the extent applicable to the Company:

1. Direct and Indirect Tax laws including The Income Tax Act, 1961 and the rules made there under, Goods and Service Tax etc.
2. Rules, regulations and guidelines issued by the Reserve Bank of India, as applicable to non-deposit taking Systematically Important Non-Banking Financial Company under classication Ā as Micro Finance Institution and further categorized under the Middle Layer category of NBFCs as per the RBI's Scale-Based Regulatory Framework, which are specifically applicable to the Company.

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

- Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder.

Based on the examination conducted during the Audit period (01st April, 2025 to 31st March, 2026), We hereby report that the Company has complied with the provision of the Act, Rules, Regulations, Guideline and Standards made there under for all the above laws to the extent possible.

We further report that

The Board of Directors of the Company was duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations. During the year under review, following changes occurred in the composition of Board and Key Managerial Personnel:

Sl. No.	Name of Director	Designation	Nature of Change	Date of Change
1.	Mr. Aditya Bhandari	Nominee Director Representing AGRIF COOPERATIEF U.A.	Resignation as Nominee Director	08-04-2025
2.	Ms. Lise Lindback	Nominee Director Representative of Abler Nordic Fund IV KS	Appointment as Nominee Director	27-05-2025
3.	Ms. Daksha Shah	Independent Director	Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Director had attained the age of seventy-five years. Accordingly, the Company passed the said resolution as a measure of good corporate governance.	23-06-2025
4.	Ms. Parul Hariharan	Nominee Director Representative of British International Investment PLC	Regularization	23-06-2025
5.	Mr. Paresh Vora	Independent Director	Regularization	23-06-2025
6.	Mr. Anuj Kumar	Independent Director	Retirement due to completion of tenure of 10 years.	01-12-2025
7.	Mr. Hiten Mukundbhai Parikh	Additional Director (Independent Category)	Appointment as Additional (Independent Category)	30-01-2026

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarications Āon the agenda items before the meeting and for meaningful participation at the meeting;

All decisions at Board Meetings and Committee Meetings were duly approved and voted upon by the directors or members present in the meeting, with requisite majority, as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be;

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

We further report that during the audit period the following material events has taken place:

I. **Redemption of unlisted Non-Convertible Debentures (NCDs):**

During the nancial Āyear, the Company redeemed 2,650 secured, rated, unlisted, redeemable, non-convertible debentures (NCDs) in accordance with the terms of issue and their respective scheduled maturity dates. The redemptions comprised 150 NCDs issued to Microfinance Enhancement Facility SA, SICA V-STF on 25th March, 2025 and 1300 and 1200 NCDs redeemed held by Hinduja Leyland Finance Limited and MAS Financial Services Limited respectively on 28th March, 2025, held by institutional investors.

The Board of Directors, at its meeting dated 27th May, 2025, took note of the said redemptions. The redemption was carried out in accordance with the applicable provisions of the Companies Act, 2013.

ii. **Borrowings by way of External Commercial Borrowings or Issuance of Non-Convertible Debentures:**

The Company in its Board Meeting dated 27th May, 2025 approved to borrow by way of External Commercial Borrowing or any issuance of Non-Convertible Debentures, in one or more tranches, on a private placement basis, for an aggregate amount not exceeding 400 Ācrore. The Borrowing Committee and Securities Allotment Committee were authorised to finalise the terms and complete the allotment process.

iii. **Incorporation of Subsidiary Company:**

The Company took note of the incorporation of Light Capital Private Limited, bearing CIN: U66190DL2025PTC448062, as a subsidiary of the Company with effect from May 9, 2025.

iv. **Granting of ESOPs:**

The Company approved the grant of 974,000 stock options and 4,00,000 stock options to eligible employees under the Employee Stock Option Plan, 2018, in its Board Meeting dated 27th May, 2025 and 11th August, 2025 respectively, subject to the applicable terms and conditions.

v. **Partial Redemption of Listed Non-Convertible Debentures (NCDs):**

The Company in its Board Meeting dated 11th August, 2025, took note of the partial redemption of 80 debentures out of 320 debentures issued to Microfinance Initiative

for Asia (MIFA) Debt Fund SA, SICAV-SIF. The debentures were allotted on December 12, 2022, and were partially redeemed on June 12, 2025.

vi. **Redemption of Listed & Unlisted Non-Convertible Debentures (NCDs):**

The Company in its Board Meeting dated 11th November, 2025, took note of redemption of 2,500 Unlisted Non-Convertible Debentures issued to IFMR FImpact Long Term Credit Fund, which were allotted on July 28, 2023 and fully redeemed on August 28, 2025.

Further, the Board took note of the partial redemption of 40 debentures out of 160 Listed Non-Convertible Debentures issued to Japan ASEAN Women Empowerment Fund (JAWEF), which were allotted on September 26, 2022 and partially redeemed on September 26, 2025.

vii. **Redemption of Listed/Unlisted Non-Convertible Debentures (NCDs):**

The Company in its Board Meeting dated 12th February, 2026, took note of the following:

- 12,228 unlisted debentures issued to AAV SARL, allotted on November 24, 2022 and redeemed on November 24, 2025;
- 12,228 unlisted debentures issued to Masala Investments SARL, allotted on November 24, 2022 and redeemed on November 24, 2025; and
- 240 Listed debentures issued to Microfinance Initiative for Asia (MIFA) Debt Fund SA, SICAV-SIF, allotted on December 12, 2022 were fully redeemed on December 12, 2025.

The Board further noted that, out of the total 320 debentures issued to MIFA Debt Fund, 80 debentures were redeemed on June 12, 2025, and the remaining 240 debentures were redeemed on December 12, 2025. Accordingly, the debentures issued to MIFA Debt Fund stood fully redeemed as of December 12, 2025.

For, **Keyur J. Shah & Associates,**
Company Secretaries,

Keyur J. Shah
Proprietor
FCS:9559
CP No.: 8814
Peer Review Certificate No.: 1148/2021
UDIN: F009559H001075910

Place: Ahmedabad
Date: 11th Aug, 2026

This Report is to be read with our letter of even date which is annexed as Annexure-1 and forms integral part of this report.

Annexure - 1

To,
The Members,
Light Microfinance Private Limited
308 Aggarwal Tower, Plot No. 2 Sector – 5,
Dwarka, New Delhi, India, 110075

Based on audit, our responsibility is to express our opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards prescribed by the Institute of Company Secretaries of India ("ICSI"), i.e., CSAS-1 to CSAS-4 ("CSAS"). These standards require that the auditor complies with the statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about the compliance with applicable laws and maintenance of records.

Due to inherent limitations of an audit including internal, nancial Āand operating controls, there is an unavoidable risk that some misstatements or material non-compliance may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

a) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

d) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

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

For, **Keyur J. Shah & Associates,**
Company Secretaries,

Keyur J. Shah
Proprietor
FCS:9559
CP No.: 8814
Peer Review Certificate No.: 1148/2021
UDIN: F009559H001075910

Place: Ahmedabad
Date: 11st August, 2026

ANNEXURE F

Management Discussion & **Analysis**

Indian Economy

Macro-Economic Overview

India retained its title as the world's fastest-growing major economy in FY26, posting GDP growth of approximately 6.5%–6.8%. This performance was underpinned by resilient domestic consumption, a buoyant services sector, robust digital infrastructure, and continued public capital expenditure. India's GDP crossed the US$ 4.5 trillion mark, further cementing its standing as the fourth-largest economy globally.

The Union Budget 2025–26 retained the government's capex ambition at ₹11 trillion, channelling investments into infrastructure, energy transition, and rural development. The revised income tax exemption limit of ₹12 lakh, combined with a ₹75,000 standard deduction, improved disposable incomes and supported urban and semi-urban consumption.

Headline CPI ination Ā moderated meaningfully during the year. After averaging 5.4% in FY25, ination Āeased to sub-4% levels through much of FY26, aided by normal monsoons, easing global commodity prices, and improved supply-chain dynamics. This created policy space for the Reserve Bank of India to continue its rate-easing cycle, with the repo rate declining from 6.3% in February 2025 to 5.75% by March 2026.

Rural Economy and Consumption

Rural India witnessed a tangible recovery in FY26. Improved agricultural output following a well-distributed monsoon season, combined with rising minimum support prices and enhanced MGNREGS allocations, strengthened rural household incomes. Two-wheeler sales, FMCG volume growth in rural markets, and a pickup in kharif and rabi output signalled a broad-based revival in rural consumption.

This trend was particularly meaningful for micro. nance institutions, as borrower repayment capacity in rural pockets showed visible improvement compared to the stress-laden FY25. Household budgets stabilised, and appetite for productive credit - for small trade, agriculture-allied activities, and micro-enterprises - began to recover.

Key Macroeconomic Risks

Despite the broadly positive trajectory, key risks persisted. Global trade disruptions, including U.S. tariff escalations affecting electronics and manufactured exports, posed headwinds. Geopolitical tensions - particularly in the Middle East and around the India–Pakistan border - created episodic volatility. A 10% spike in crude oil prices could reduce GDP growth by ~0.2%. Climate-related disruptions, while milder than in FY25, remained a structural concern for agricultural incomes and rural credit quality.

On balance, however, FY26 represented a year of measured recovery and policy-supported growth, offering a more stable operating environment than the preceding year.

Sources: RBI Monetary Policy Reports; Ministry of Finance Economic Survey 2025–26; World Bank Global Economic Prospects 2026; NSO Advance Estimates.

FINANCIAL SERVICES SECTOR IN INDIA – FY26

A Year of Gradual Recovery

India's financial services sector entered FY26 on a cautious footing, carrying forward the scars of credit fatigue and regulatory recalibration from FY25. However, as the year progressed, easing monetary conditions, improved asset quality in the banking system, and renewed appetite for credit in priority sectors lent a more optimistic tone to the latter half.

Banking Sector

Scheduled commercial banks maintained healthy balance sheets into FY26. Gross NPA ratios, which had already declined to sub-3% levels by March 2025, remained well-controlled through the year. Net Interest Margins stabilised following the rate cuts, and banks remained adequately capitalised. Credit growth - which had decelerated to ~12% YoY in FY25 - began recovering, with system-level credit expanding at ~13%–14% through FY26, driven primarily by retail mortgages, MSME lending, and agriculture credit.

The RBI's liquidity management remained supportive. The easing of the CRR and policy rate adjustments helped transmit lower borrowing costs to end-borrowers, particularly in the second half of FY26.

NBFC and Lending Ecosystem

The NBFC segment, particularly those operating in retail and microfinance credit, continued to navigate asset quality pressures in the first half of FY26. However, regulatory clarity, easing risk weights on microfinance loans (reduced from 125% to 100% in the previous year), and prudent internal risk management helped stabilise portfolios. Co-lending arrangements between banks and NBFCs deepened, improving credit flow to underserved segments.

Digital lending continued to expand, with Account Aggregator-based underwriting gaining mainstream adoption. Fintech partnerships enabled faster, more data-rich credit assessments, particularly for thin-file borrowers. Regulatory guardrails - including mandatory APR disclosures and fair lending codes - ensured that growth was channelled responsibly.

Digital and Financial Inclusion

India's digital financial infrastructure continued to scale rapidly. UPI recorded over 200 billion transactions annually, reflecting deepening penetration in semi-urban and rural geographies. The Jan Dhan network crossed 55 crore active accounts, and the Account Aggregator ecosystem processed over 200 million consent requests - a transformational shift in the data-driven lending landscape.

Financial inclusion gains proved to be structural. First-time borrowers, particularly women in rural areas, increasingly accessed formal credit through microfinance and assisted digital channels. This created a compounding demand for small-ticket, productive credit - a segment at the core of Light's operations.

Outlook for FY27

The financial services sector enters FY27 with improving fundamentals. Banks and NBFCs are better capitalised, digital rails are mature, and regulatory intent is clearly focused on sustainable, responsible growth. Sectors such as microfinance, MSME credit, gold loans, and green finance are expected to see disproportionate tailwinds as policy and income dynamics align.

MICROFINANCE SECTOR IN INDIA – FY26

From Stress to Stabilisation

FY26 marked a pivotal transition for India's microfinance sector - from the acute stress and portfolio contraction witnessed in FY25 to a phase of gradual stabilisation and selective recovery. The industry, which saw its Gross Loan Portfolio (GLP) decline by ~13.5% in FY25 to ₹3.8 trillion, began to show signs of floor formation as collections improved, write-offs were largely absorbed, and early-bucket delinquencies moderated.

Industry participants - both NBFC-MFIs and bank MFI arms - adopted a more conservative disbursement stance, focusing on portfolio quality over growth velocity. Borrower-level household income assessments became more rigorous, and credit bureau checks gained further primacy in underwriting decisions. The period of overleveraging and excessive loan layering appeared to have largely corrected itself through regulatory enforcement and market discipline.

Regulatory Developments

The RBI continued to exercise close oversight of the microfinance sector through FY26. Key regulatory actions and clarifications included:

Continued enforcement of the Rs. 3 lakh household income cap for microfinance eligibility, ensuring credit flows to intended beneficiaries.

Reaffirmation of the 50% household income repayment cap, with active monitoring through Credit Information Companies (CICs).

The Unified Co-Lending framework was refined, facilitating better risk-sharing between banks and NBFC-MFIs for priority-sector lending.

Enhanced disclosure norms - including prominent display of Annualized Percentage Rate (APR) across all product communications - reduced information asymmetry for borrowers.

SRO bodies MFIN and Sa-Dhan maintained the three-lender-per-borrower cap, further containing over-indebtedness risks.

Industry Performance in FY26

The sector's GLP registered a modest recovery during FY26, with aggregate portfolio levels broadly stabilising and a select number of geographically diversified, low-PAR institutions returning to growth. Portfolio at Risk (PAR>30) for the industry showed progressive improvement through the year, particularly in states where economic recovery was more pronounced - Bihar, Tamil Nadu, Uttar Pradesh, and Maharashtra.

Borrower fatigue, which had been a key driver of stress in FY25, eased as institutions moderated disbursement intensity and focused on deepening engagement with existing, well-served customers. Repayment discipline improved, and collection efficiency ratios trended upward in the second half of FY26.

Growth Drivers Going Forward

Continued underpenetration of the rural credit market, with vast segments yet to access formal finance, ensures long-term demand.

Government schemes - PM Vishwakarma, Lakhpati Didi, and agri-allied credit programmes - are creating new demand pools for productive microfinance credit.

Technological improvements in field operations, AI-assisted risk scoring, and digital collections are structurally lowering the cost of last-mile credit delivery.

A more supportive monetary environment, with falling interest rates, is easing the interest burden on borrowers and improving portfolio quality.

Product diversification - including individual loans, secured credit, and MSME-oriented products - is expanding the addressable market for MFIs with the operational capability to serve them

LIGHT – PERFORMANCE IN FY26

Strategic Context

FY26 was a year of continued consolidation for Light Microfinance. Building on the conservative and quality-first posture adopted in FY25, the Company maintained its disciplined approach through FY26 - focusing on portfolio hygiene, operational strengthening, digital transformation, and selective product diversification. Rather than chasing topline growth in a still-recovering market, Light prioritised the quality of its loan book, the capability of its people, and the integrity of its processes.

This approach reflected the Company's core belief: that sustainable growth in microfinance can only be built on a foundation of responsible lending, strong borrower relationships, and financial prudence.

Portfolio and Financial Performance

Light's Assets Under Management (AUM) stood at ₹1,43,485 Lakhs (approximately ₹1,435 Crore) as of March 2026. Total disbursements for the year aggregated ₹1,12,271 Lakhs across three verticals - Joint Liability Group (JLG) microfinance, Digital Lending, and the newly launched Unsecured Individual Loans product. This reflects the Company's broadening product architecture even as it maintained caution on scale.

The Portfolio at Risk (PAR1+) closed at 4.99% as of March 2026. While the delinquency environment across the sector remained elevated - reflecting residual stress from FY25 - Light's PAR trajectory showed improvement through the latter part of the year as collections strengthened, write-off actions were taken on legacy accounts, and fresh disbursement quality improved meaningfully.

The Company's Capital to Risk-Weighted Assets Ratio (CRAR) stood at a healthy 27.24%, well above regulatory minimums. This strong capitalisation position underscores Light's financial resilience and its ability to absorb credit losses while maintaining lender confidence and pursuing selective growth.

Operational Footprint

Light operates across 248 branches, serving borrowers across 130+ districts in multiple states. The branch network reflects the Company's calibrated expansion philosophy - growing presence in well-understood geographies rather than aggressive geographic diversification during a period of sector-wide stress.

The Company's active borrower base stood at 3,99,552 - a reflection of the cautious disbursement approach adopted through FY25 and into FY26. As portfolio quality recovers and demand conditions improve, the Company is well-positioned to re-expand its active customer base through existing branch infrastructure with minimal incremental fixed-cost.

Total employee strength as of March 2026 stood at 2,441. The Company's workforce is lean, trained, and increasingly digitally capable - a deliberate outcome of investments in automation, digital tooling, and structured training frameworks over the past two years.

Product Diversification

FY26 marked an important step in Light's journey from a mono-product JLG institution to a multi-product microfinance company. Key developments included:

Individual Loans (Unsecured)

Building on the pilot initiated in Gujarat during FY25, Light scaled up its Unsecured Individual Loan product in FY26. The product is designed for upwardly mobile micro-entrepreneurs - primarily existing JLG borrowers with strong repayment histories - seeking larger, customised credit for business growth. The product offers higher ticket sizes, flexible tenors, and individually assessed repayment schedules. Early performance data was encouraging, and the Company expanded the offering to additional geographies during the year.

Secured Loan Pilot

Light launched a Secured Loan pilot in FY26, targeting borrowers with collateral assets seeking structured credit for business or asset acquisition purposes. This pilot represents Light's first step into collateral-backed lending - a strategically important adjacency that expands the addressable market, improves risk-adjusted returns, and serves a segment of customers whose needs have outgrown traditional JLG products. The pilot is being managed with careful underwriting oversight, and learnings from the initial cohort will inform a broader rollout in FY27.

Digital Lending

The digital lending vertical continued to make steady progress in FY26. Light deepened its fintech partnerships, extended digital lending reach to over 200 cities, and implemented robust underwriting and risk-sharing mechanisms including FLDG-backed arrangements. The borrower profile - largely small traders and service providers - reflects genuine unmet working capital demand among India's micro and small business segment. Digital lending disbursements contributed meaningfully to total disbursement volumes, and the Company's underwriting frameworks matured significantly through the year.

Digital Collections and Technology

Digital collections emerged as one of Light's most significant operational achievements in FY26. Building on the momentum established in FY25 - when digital repayments accounted for over a third of all microfinance collections - the Company significantly increased digital collection penetration during FY26. The Light Money app continued to gain traction among borrowers, with strong adoption even in rural and semi-urban pockets.

The shift to digital collections delivers multiple benefits: it reduces cash-handling risks, improves reconciliation speed, creates richer repayment data for credit decisioning, and enhances borrower convenience. Light's assisted digital model - where field officers support borrowers in making digital transactions - has proven particularly effective in geographies with limited smartphone penetration.

Alongside collections, Light continued to invest in its core technology infrastructure:

* The Business Rules Engine (BRE) was further enhanced, enabling faster and more flexible credit policy changes without significant IT dependency.
* AI-assisted risk models supported early identification of default-prone accounts, enabling pre-emptive collection interventions.
* Geo-intelligence tools supported field force deployment and branch-level resource planning, improving operational efficiency.
* Integration with Account Aggregator (AA) and DigiLocker deepened KYC efficiency and underwriting quality for the digital lending vertical.
* Performance dashboards provided field teams with real-time visibility into their targets, portfolio health, and incentive structures.

Capital Management

Light did not undertake any equity capital raise in FY26. The Company continues to maintain active dialogue with strategic investors aligned with its mission, and remains open to capital infusion as growth conditions normalise and the portfolio returns to a stronger quality trajectory. The existing capital structure - reflected in a CRAR of 27.24% - remains robust, providing a substantial buffer above regulatory requirements and sufficient headroom for measured portfolio growth.

On the debt side, the Company maintained active engagement with its lending partners - banks, NBFCs, and development finance institutions - ensuring continuity of funding lines. Light's track record of transparency, timely reporting, and adherence to covenants continues to support lender confidence.

Regulatory Compliance

Light maintained full compliance with all applicable RBI guidelines governing NBFC-MFIs during FY26. Key compliance adherence included:

* Strict adherence to the Rs. 3 lakh household income eligibility cap for microfinance borrowers.
* Enforcement of the 50% household income repayment cap across all active loans, monitored through CIC data and internal credit assessment frameworks.
* Timely and complete submission of borrower data to all registered Credit Information Companies.
* Compliance with APR disclosure norms across all product communications and loan documentation.
* Active oversight by internal compliance teams across all branches and verticals.

No material regulatory findings or violations were reported during FY26. Light's commitment to regulatory compliance is embedded in its operating philosophy - not merely as an obligation but as an expression of its responsibility to borrowers, lenders, and the broader microfinance ecosystem.

HUMAN RESOURCES & CULTURE

People are Light's most critical competitive asset. In a business built on field relationships, trust, and community engagement, the quality, motivation, and stability of the workforce directly determines business outcomes. FY26 saw continued investment in people systems, culture-building, and capability development. Additionally, this year Light has adopted the approach of " Right People at Right Place".

Workforce Overview

As of March 2026, Light's total employee base stood at 2,441. The Company's workforce is distributed across field operations, credit and collections, technology, and support functions. Hiring in FY26 was targeted and purposeful - focused on strengthening service delivery roles, credit monitoring capabilities, and the digital lending vertical, while maintaining overall headcount discipline.

Training and Capability Development

Light's structured 30-day onboarding and induction programme was maintained for all new joiners, blending classroom and digital learning through the dedicated Learning Management System. This approach continues to deliver flexibility, cost efficiency, and measurable training outcomes. Over 2,000 employees were trained through structured programmes during FY26, covering credit policy, collections best practices, compliance, digital tools usage, and customer engagement.

The Company also expanded its mentoring frameworks for high-potential field employees, creating structured development pathways and reducing early attrition. Leadership and soft-skill workshops were conducted periodically, reinforcing Light's emphasis on holistic capability building.

HR Systems and Process Automation

FY26 saw continued progress on HR automation and process digitisation. Self-appraisal systems, paperless onboarding, HRMS-based attendance tracking, and fully automated payroll were embedded into daily operations. These systems improve data accuracy, reduce administrative burden, and allow HR teams to focus on strategic talent priorities rather than transactional processes.

Employee Engagement and Wellbeing

Light's employee engagement calendar in FY26 included Health and Wellness initiatives, team events, and community participation under the Joy of Living Programme - encompassing social activities such as financial literacy drives, community outreach, and skill-sharing with economically weaker sections. Women's Week celebrations and POSH awareness programmes reinforced a culture of equality, safety, and respect at the workplace. Dedicated platform created to recognize and reward top performers of the company and employees voice were being heard on regular basis during the Town Halls conducted by the Top Management of the Company

Progressive HR Policies

Light introduced and refined several employee-focused policies during FY26, including guidelines for internal transfers, retention frameworks, and responsible workplace practices. The Company's insurance coverage - Group Personal Accident (GPA) at Rs. 10 lakhs and Group Term Life Insurance (GTLI) at double the employee's CTC - remains among the most competitive in the sector. The Recharge and Rejuvenate leave policy continued to provide employees with structured personal time, reinforcing a culture that balances performance with wellbeing.

INTERNAL CONTROL SYSTEMS & ADEQUACY

Light has developed and institutionalised a strong internal control framework proportionate to the scale and complexity of its operations. Controls are reviewed periodically to ensure ongoing risk coverage, process integrity, and regulatory compliance. The Board of Directors provides active oversight of the internal control environment through its Audit Committee.

Control Mechanisms

The key pillars of Light's internal control architecture include:

* Regular process monitoring across all business units and geographies.
* Surprise audits at the branch level to validate adherence to credit, collection, and cash management norms.
* Independent investigations for any reported fraud or misconduct, with robust escalation and resolution processes.
* Portfolio at Risk (PAR) reviews at granular levels - product, geography, loan officer, and vintage cohort - enabling early identification of emerging stress.
* Exception reporting and exception resolution frameworks embedded into daily operations.
* Board-level oversight through quarterly Audit Committee reviews and independent internal audit reports.

Internal Audit

The internal audit function continued to play a central role in Light's governance framework during FY26. Key features of the audit function:

The annual audit plan was aligned with the Company's risk profile, with enhanced focus on collections processes, credit underwriting quality, and digital transaction integrity.

* Internal audits were conducted by an independent third-party agency, ensuring objectivity and freedom from operational bias.

The Audit Committee provided strategic oversight, reviewed audit findings, and tracked closure of corrective actions.

* No material irregularities or significant deficiencies were reported during FY26, affirming the effectiveness of Light's control environment.

Accounts and Financial Controls

The Accounts and Finance function maintained high standards of accuracy, compliance, and process efficiency during FY26. Key achievements included:

* 100% adherence to Ind-AS accounting standards across all reporting periods.
* Tight budgetary controls with proactive monitoring and timely variance reporting.
* Faster and more accurate MIS reporting enabled through process automation.
* Timely completion of internal and statutory audits with clean reporting and no material findings.
* Diligent and timely compliance with all regulatory reporting requirements, including submissions to RBI, CICs, and other statutory authorities.

These outcomes reflect Light's commitment to financial discipline, governance excellence, and accountability - values that are foundational to its long-term credibility with lenders, investors, regulators, and the communities it serves.

Outlook

As Light enters FY27, the internal control environment is well-positioned to support the next phase of growth. Investments in technology, audit automation, and process standardisation over the past two years have created a scalable governance infrastructure. As the Company expands its product range and geographic footprint, these controls will be extended and calibrated to manage new risk dimensions - including those arising from individual loan products, secured lending, and expanded digital operations.

ANNEXURE G

ESOP DISCLOSURE PURSUANT TO RULE 12 OF COMPANIES

(SHARE CAPITAL AND DEBENTURES) RULES, 2014, AND THE PROVISIONS UNDER SECTION 62 OF THE COMPANIES ACT 2013 AND RULES FRAMED THERE UNDER

Particulars	Details
Options granted during the year	13,74,000
Options vested during the year	5,75,476
Options exercised during the year	NIL
The total no. of shares arising as a result of exercise of option	NIL
Options lapsed during the year	2,10,800
Exercise price	• for options granted in 2018-19 - Rs. 10.63/- • "for options granted in 2021-22 - Rs. 37.70/- " • for options granted in 2023-24 – Rs. 66.00/- • for option granted in 2025-26 - Rs.74.90/-
Variation of terms of options	None
Money realized by exercise of options	NIL
Total number of options in force	51,57,980

Employee wise details of options granted during the year:

Key Managerial Personnel

Name	Designation	Options at the end of March 31, 2025	Options granted during the year	Options at the end of March 31, 2026
Mr. Rakesh Kumar	Chief Executive Officer and Executive Director	17,13,159	2,00,000	19,13,159
Mr. Aviral Saini	Chief Financial Officer and Executive Director	13,36,221	2,00,000	15,36,221
Ms. Madhavi Gajjar	Chief Compliance Officer and Company Secretary	50,000	50,000	1,00,000

Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year

Name	Designation	Options granted during FY 2025-26
Mr. Satish Dhupdale	Chief Digital Officer	70,000
Mr. Nisarg Shah	Senior Vice President-Accounts	70,000
Name	**Designation**	**Options granted during FY 2024-25**
Mr. Satish Dhupdale	Chief Digital Officer	1,50,000

Identied Āemployees who were granted option during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL

Independent Auditor's Report

To The members of **Light Microfinance Private Limited**

Report on the Audit of the Standalone financial Statements

OPINION

We have audited the accompanying standalone . nancial statements of Light Microfinance Private Limited ("the Company") which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as " standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") read with applicable relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) Guidelines ("RBI Guidelines") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its losses and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

EMPHASIS OF MATTER

We draw attention to Note no. "30 VV" to the standalone financial statements regarding covenant breach and its respective waiver process, as well as implications on financial charges and liabilities.

We, further draw attention to Note No. "30 WW" to the accompanying financial statements regarding the requirement under the applicable Reserve Bank of India Master Directions for the Company to maintain minimum qualifying assets towards microfinance loans. As at March 31, 2026, the Company's qualifying assets ratio stood at 52.03%. The Company has intimated the relevant position to the Reserve Bank of India vide its letter dated April 23, 2026.

Our opinion on the finance al statement is not modified in respect of above matters.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How the matter was addressed in our audit
(a) Allowances for Expected Credit Losses **(as described in note 1 (o) and 5 of the Ind AS nancial Āstatements)**	
Ind AS 109 Financial instruments (Ind AS 109) requires the Company to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model. These judgement and estimates include: 1. Estimating the behavioural life of the product/types of loans/ advances. 2. Data inputs in relation to ECL model. 3. Determination of loan book segmentation, probability of defaults, loss given defaults and exposure at default. 4. Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default. 5. Determining effect of less frequent past events on future probability of default. Considering the inherent judgmental nature, the complexity of model involved, degree of estimate involved in the model and computation of impairment loss allowance along with the significance of the amount and its impact on the Standalone financial statements of the Company, this area has been considered as key audit matter.	Our audit procedures on test check basis included the following: 1. Examined the Board of Director's policy approving methodologies for computation of ECL that addresses policies and procedures for assessing and measuring credit risk on the lending exposures of the Company in accordance with the requirements of Ind AS 109. Further, also examined the documentation by management on the parameters and assumptions used in the ECL model, and its rationale. 2. Obtained an understanding of the modelling techniques adopted by the Holding Company including the key inputs and assumptions. Since modelling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant. 3. Assessed and tested the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. 4. Evaluated the appropriateness of the Company's determination of significant increase in credit risk in accordance with the applicable accounting standard and the basis for classification of exposures into various stages. 5. Tested the completeness of loans included in the Expected Credit Loss calculations as of 31 March 2026 by reconciling it with the balances as per loan balance register. On a test check basis, we tested the EAD, evaluated management's assessment of parameters such as probability of default (PD) or loss given default (LGD) and also tested the data used in the PD and LGD model for ECL calculation by reconciling it to the source data. Further, we tested assets in stage 1, 2 and 3 on a sample basis to verify that they were allocated to the appropriate stage. 6. On a test check basis, ensured compliance with RBI Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP') read with RBI circular on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances in relation to identification, upgradation and provisioning of nonperforming assets (NPAs) and ensured that the Company has classified NPAs as credit impaired loans. 7. Evaluated the appropriateness of the methodology and policy laid down and implemented by the Company for the loan portfolio written-off during the year and tested the authorization for write-off on a sample basis.

8. We assessed the disclosures included in the Ind-AS financial statements with respect to such allowance / estimate are in accordance with the requirements of Ind AS 109 and Ind AS

   107 Financial Instruments: Disclosures.

9. In addition to the above procedures, we have obtained written representations from the management in relation to appropriateness of such ECL methodology and reasonableness of the judgements and assumptions used.

(b) Information Technology ('IT') Systems and Internal Controls for nancial Āreporting

The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.

Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records.

Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.

Our audit procedures on test check basis included the following:

1. The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs – to understand the design and test the operating effectiveness of such controls.
2. Assessed the changes that were made to the key systems during the audit period and assessing changes that have impact on financial reporting.
3. In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal system controls over financial reporting using various techniques such as inquiry, review of documentation / record / reports, observation, and reperformance.
4. Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the

Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process of the company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIALSTATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Notes to financial statements for the year ended 31 March, 2025

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including the Standalone Statement of Other Comprehensive Income, the Standalone Cash Flow Statement and Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   a) The Company does not have any pending litigations which would impact its financial position as stated in Note No. 30-H.

   b) The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts.

   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   (d) (I) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note No. S (xii) (A), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (ii) The management has represented, that, to the best of their knowledge and belief, other than as disclosed in the Note No. S (xii) (B), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   (iii) Based on such audit procedures as considered reasonable and appropriate in the

circumstances; nothing has come to our notice that has caused us to believe that the representations under clause (I) and

(iv) of Rule 11(e), as provided under i) and ii) above, contain any material misstatement.

e) The Company has not declared or paid any dividend during the year.

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

3. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Member No. : 129033
UDIN: 2612903300YQEK4858

Place of Signature: Ahmedabad
Date: 27th May, 2026

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone nancial Ā statements for the year ended March 31, 2026

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. In respect of Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use Assets.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Property, Plant & Equipment and relevant details of right-of-use assets have been physically veried Āby the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verication. Ā

(c) The Company does not hold any immovable properties and accordingly, the requirements under clause 3(i)(c) of the Order are not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company and as disclosed in Note No. 30 (S) (ii) there are no proceedings initiated or pending against the Company for holding any benami Property under the Prohibition of Benami Transactions Act, 1988 (45 of 1988) (as amended) and rules made thereunder.

ii. (a) The Company is Non-Banking Finance Company and its principal business is to give loans. Accordingly, the requirement under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits by banks or nancial Āinstitutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. The Company is a non-deposit taking Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('RBI') and as a part of its business activities is engaged in the business of lending. During the year, in the ordinary course of its business, the Company has granted loans and advances in the nature of loans, secured and unsecured. With respect to such investments and loans and advances:

(a) The Company is Non-Banking Finance Company and its principal business is to give loans. Accordingly, the requirements under clause 3(iii)(a) including sub clause (A) and (B) of the order are not applicable.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, the investments made and the terms and conditions of the grant of the loans and advances in the nature of loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular except for instances reported below:

(₹ in Lakhs)

Particulars-Days Past Due	No. of Loan Accounts	Principal Overdue (₹)	Interest Overdue (₹)
1-90 days	7,617	319.00	59.18
More than 90 days	48,856	3,418.00	1,356.34

Having regard to the nature of business of the Company and volume of the transactions, it is impractical to furnish the item-wise listing for the above-mentioned cases of delay in repayment of principal and interest.

(d) According to the information and explanations given to us, the total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans given in the course

of the business operations of the Company aggregates to ₹4,774.34 Lakhs as at March 31, 2026 in respect of 48,856 number of loans. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.

(e) The Company is Non-Banking Finance Company and its principal business is to give loans. Accordingly, the reporting under clause 3(iii)(e) of the Order is not applicable.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted loan or given guarantee or provided security as provided in the Section 185.

Pursuant to Section 186(11)(a) of the Companies Act, 2013, read with Rule 11(2) of the Companies (Meeting of Board and its power) Rules, 2014, the loan made, guarantee given or securities provided or any investments made in ordinary course of its business by a Non-Banking Financial Company (NBFC) registered with Reserve Bank of India is exempt from the applicability of provisions of Section 186 of the Act. Accordingly, the requirement under clause 3(iv) of the Order is not applicable.

v. The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-deposit taking NBFC registered with the RBI, and also the Company has not accepted any deposits or amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of the Company's business activities. Accordingly, the reporting requirements under clause 3(vi) of the Order are not applicable to the Company.

vii. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. As informed, the provisions of sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.

(a) No undisputed amounts payable in respect of goods and services tax, provident fund, income-tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues referred to in 3(vii)(a) above which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company and as disclosed by the Company in Note 30

(S)(x), the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account or in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the information and explanations given to us, and on the basis of our examination of records, the Company has not defaulted in repayment of loans or borrowing or in payment of interest thereon to any banks and . nancial institutions during the year.

(b) According to the information and explanations given to us including confirmations received from banks and as disclosed in Note No. 30 (S)(iii) and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, and on the basis of our examination of the records, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we reported that the Company has not taken any funds from

any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable to the company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) According to the information and explanations given to us and on the basis of our examination of the relevant record of the Company, no fraud by the Company has been noticed or reported during the year. Further, fraud on the company has been noticed involving misappropriation of cash collected from customers and other form of embezzlement of cash by several employees involving amount aggregating 89.87Lakhs. The company has recovered 82.36Lakhs during the year.

(b) According to the information and explanations given to us and based on examination of relevant record, no report under sub section (12) of section 143 of the Act has been filed in the form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with central government during the year and up to the date of this report.

(c) According to the information and explanations given to us and based on examination of relevant record, there were no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and accordingly, reporting under this clause with respect to Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The company being NBFC-MFI is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and such registration has been obtained by the company.

(b) According to the information and explanations given to us, the Company has conducted Non-Banking Financial activities during the year under a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India, and accordingly requirements of clause 3(xvi)(c) of the Order is not applicable.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Reserve Bank of India (Core Investment Companies) Directions, 2025) does not have any CIC. Accordingly, reporting requirement under the Clause 3(xvi)(d) of the Order is not applicable.

xvii The Company has reported cash losses amount to ₹ 760.78 Lakhs in the current financial year; however no cash losses were recorded in the immediately preceding financial year.

xviii There is no resignation of the Statutory Auditor during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our

knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. As disclosed by management in Note no. 30-O there is no unspent amount as per subsection 5 of section 135 of the Act towards Corporate Social Responsibility (CSR) as at the end of the financial year, hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Member No. : 129033
UDIN: 2612903300YQEK4858

Place of Signature: Ahmedabad
Date: 27th May, 2026

Annexure - B to the Independent Auditors' Report

Report on the internal nancial Ācontrols with reference to the aforesaid standalone nancial Āstatements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the act")

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal nancial Ācontrols over nancial Ā reporting of Light Micro. nance Private Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the accompanying standalone financial statements of the Company for the year ended on that date.

Responsibility of Management and Those Charged with Governance for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,

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

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Member No. : 129033
UDIN: 2612903300YQEK4858

Place of Signature: Ahmedabad
Date: 27th May, 2026

Statement of audited Standalone assets and liabilities

as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial assets			
Cash and cash equivalents	2	13,688.04	29,802.84
Bank balances other than cash and cash equivalents	3	10,785.90	7,758.12
Derivative Financial Instruments	4	2,256.56	200.89
Loans	5	96,779.99	123,108.83
Investments	6	5,282.20	7,925.36
Other nancial assets Ā	7	4,819.15	5,427.05
		133,611.84	**174,223.08**
Non Financial Assets			
Current tax assets (net)	8	491.05	299.57
Deferred tax asset (net)	9	4,176.90	1,020.75
Property, Plant & Equipment's	10-A	733.28	1,103.32
Right of Use		876.03	1,042.24
Intangible assets under development	10-B	-	28.45
Other Intangible assets	10-A	943.49	1,209.83
Other non-nancial assets Ā	11	1,945.58	716.40
		9,166.33	**5,420.55**
Total Assets		**142,778.17**	**179,643.64**
LIABILITIES & EQUITY			
Liabilities			
Financial Liabilities			
Payables			
Trade Payables			
(i) Total outstanding dues of Micro enterprises and small enterprises	12	78.27	93.78
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises other payables	12	139.56	131.16
Debt securities	13	18,661.34	15,833.34
Borrowings (other then Debt securities)	14	72,995.13	102,756.95
Subordinated Liabilities	15	10,883.25	10,844.74
Other nancial liabilities Ā	16	5,574.77	5,609.30
Lease liabilities		1,017.44	1,122.69
		109,349.76	**136,391.97**
Non Financial Liabilities			
Provisions	17	1,096.24	1,134.28
Other non Financial liabilities	18	759.18	1,472.54
		1,855.42	**2,606.81**
Equity			
Equity share capital	19	10,779.68	10,779.68
Other equity	20	20,793.33	29,865.18
		31,573.01	**40,644.86**
Total liabilities and equity		**142,778.17**	**179,643.64**
Notes forming part of the Financial Statements	1 to 29		

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director

DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

Statement of Standalone nancial Āresults

for the year ended March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Revenue from operations			
Interest income	21	28,891.21	41,449.45
Other operating income	22	5,271.85	6,741.41
Total revenue from operation		**34,163.06**	**48,190.86**
Other income	**23**	**694.61**	**1,302.15**
Total Income (I+II)		**34,857.67**	**49,493.01**
Expenses			
Finance cost	24	17,891.99	20,939.80
Impairment/(Reversal) of Impairment on Financial Instruments	25	3,615.98	(457.28)
Net loss on derecognition of financial instruments under amortised cost category	25	6,669.32	5,440.17
Employee Benet Expense Ā	26	13,969.08	16,398.82
Depreciation & Amortization Expenses	27	1,155.03	1,378.18
Other Expenses	28	6,065.31	5,052.26
Total Expenses (IV)		**49,366.71**	**48,751.95**
Profit/(loss) before tax (III-IV)		**(14,509.04)**	**741.06**
Tax Expenses			
Current Tax		-	133.11
Deferred Tax		(3,652.80)	76.37
(Excess)		(133.11)	50.06
Total tax expense (VI)		**(3,785.91)**	**259.54**
Net profit after tax (V-VI)		**(10,723.13)**	**481.52**
Other Comprehensive (loss)			
(1) Items that will not be reclassified to prot and loss Ā		(82.32)	(67.51)
(2) Income tax relating to items that will not be reclassified to prot and loss Ā		20.72	16.99
Subtotal (a)		**(61.60)**	**(50.52)**
(1) Items that will be reclassified to profit and loss-Fair value income on derrivative nancial instruments Ā		2,055.67	274.91
(2) Income tax relating to items that will be reclassified to prot and loss Ā		(517.37)	(69.19)
Subtotal (b)		**1,538.30**	**205.72**
Other Comprehensive income (a+b)		**1,476.70**	**155.21**
Total loss/income (comprising profit and other comprehensive income/ (loss))		**(9,246.43)**	**636.73**
Paid up share capital		**10,779.68**	**10,779.68**
Other equity as per balance sheet of previous accounting year			
Earning per share (EPS) (face value of Rs. 10 per equity share)			
Basic EPS *	29-B	(42.81)	1.92
Diluted EPS *	29-B	(42.81)	0.81
Notes forming part of the financial results			

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director

DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

Standalone Statement of change in equity

for the year ended March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Equity Share	Preference Share
Issued, Subscribed and Fully Paid-up Share Capital		
Balance as at 1 April 2024	**2,505.00**	**8,274.68**
Issued During the Period - -		
Balance as at 31 March 2025	**2,505.00**	**8,274.68**
Issued During the Period - -		
Balance as at 31 March 2026	2,505.00	8,274.68

Other Equity	Statutory Reserves*	Securities Premium	Retained Earnings	Stock options outstanding account	Other Comprehensive Income	Money received against share warrants	Total
Balance as at 1 April 2024	**2,668.40**	**18,575.95**	**7,783.61**	**198.82**	**(109.39)**	**28.30**	**29,145.70**
Amount Transferred from balance in the statement of prot and loss u/s 45 IC Ā of Reserve Bank of India Act, 1934	86.20	-	-	-	-	-	86.20
Surplus for the period	-	-	636.73	-	-	-	636.73
Cash flow Hedge Reserve	-	-	(205.72)	-	205.72	-	-
Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934	-	-	(86.20)	-	-	-	(86.20)
Money received against share warrant						-	-
Reserve added during the year Option Granted				82.75			82.75
Other comprehensive income	-	-	50.52	-	(50.52)	-	-
Balance as at 31 March 2025	**2,754.60**	**18,575.95**	**8,178.94**	**281.57**	**45.82**	**28.30**	**29,865.18**
Amount Transferred from balance in the statement of prot and loss u/s 45 IC Ā of Reserve Bank of India Act, 1934	-	-	-	-	-	-	-
Surplus for the period	-	-	(9,246.43)	-	-	-	(9,246.43)
Cash flow Hedge Reserve	-	-	(1,538.30)	-	1,538.30	-	-
Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934	-	-	-	-		-	-
Money received against share warrant	-	-	-	-		-	-
Reserve added during the year Option Granted	-	-	-	174.57		-	174.57
Other comprehensive income	-	-	61.60	-	(61.60)	-	-
Balance as at 31 March 2026	**2,754.60**	**18,575.95**	**(2,544.19)**	**456.14**	**1,522.52**	**28.30**	**20,793.33**

* Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45-IC of Reserve Bank of India Act 1934.
See accompanying notes to the financial statements in terms of our report attached

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

Statement of audited Standalone cash flow

For the year ended March 31, 2026

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash flow from Operating Activities		
(Loss)/Profit before tax	(14,509.02)	741.06
Depreciation and amortization	1,027.37	1,160.90
Gain on sale of units of Mutual Fund	(578.36)	(1,257.08)
Non Cash Employee Share Base Payment Expense	174.57	82.75
Gain on sale of Assets	(0.46)	(0.01)
Operating (Loss)/ Profit before Working Capital Changes	**(13,885.90)**	**727.62**
Movements in Working Capital:		
Decrease/(Increase) in trade receivables	-	11.93
Decrease/(Increase) in loans	26,328.83	55,562.00
Decrease/(Increase) in other nancial assets Ā	607.90	958.93
Decrease/(Increase) in right of use	166.21	(709.39)
Decrease/(Increase) in other non nancial assets Ā	(750.76)	(413.62)
Increase/(Decrease) in trade payables	(7.11)	(448.85)
(Decrease)/Increase in other nancial liabilities Ā	(145.86)	(28.32)
(Decrease)/Increase in provisions	(99.64)	524.66
(Decrease)/Increase in other non nancial liabilities Ā	(713.36)	(217.97)
Cash Generated/(Used in) Operations:	11,500.31	55,966.97
Direct Taxes Paid (net of refunds)	40.14	432.68
Net Cash Flow from/(used in) Operating Activities (A)	**11,460.17**	**55,534.29**
Cash flow from Investing Activities		
Purchase of property, plant and equipment (net)	(87.59)	(1,128.64)
Redemption / (Purchase) of units of Mutual Funds (net)	578.36	1,257.08
Decrease/(Increase) in Investment	2,643.16	(6,912.64)
(Increase) / Decrease in fixed deposits	(3,027.78)	(1,766.79)
Purchase of intangible asset	(360.49)	(887.91)
Capital work in progress	-	284.56
Intangile assets under development	28.45	87.58
Proceeds from disposal of property, plant and equipment	57.54	282.41
Net Cash Flow from/(used in) Investing Activities (B)	**(168.35)**	**(8,784.35)**

Statement of cash flow
as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Cash flow from Financing Activities			
Derivative Financial Instruments		(517.37)	(69.19)
Debt securities (repaid)/issued (net)		2,828.00	(4,942.69)
Borrowings other than debt securities repaid (net)		(29,761.82)	(37,852.79)
Subordinated Liabilities (net)		38.51	40.82
Increase /(Payment) of lease liabilities		(105.25)	707.84
(Decrease)/Increase in Interest accrued on borrowing		111.32	(292.17)
Net Cash Flow from/(used in) financing Activities (C)		**(27,406.61)**	**(42,408.17)**
Net Increase/(decrease) in cash and cash equivalents		**(16,114.80)**	**4,341.76**
Cash and Cash equivalents at the beginning of the year		**29,802.84**	**25,461.08**
Cash and Cash equivalents at the end of the period		**13,688.05**	**29,802.84**
Notes forming part of the financial results			
As per our attached report of even date			

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director

DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
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DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

NOTE 1: NOTES FORMING PART OF STANDALONE THE FINANCIAL STATEMENTS

a. Corporate Information

Light Microfinance Private Limited ("the Company") is a Private Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company was registered as a non-deposit taking accepting Non-Banking Financial Company ("NBFC-ND") with the Reserve Bank of India ("RBI") and has got classied Āas a Non-Banking Financial Company – Micro Finance Institution ("NBFC-MFI") with effect from May 27, 2014. As per the" Master Direction-Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025, issued by the RBI the company is classi. ed as non-banking financial company-middle layer ('NBFC-ML'). The registered office of the Company is located at 308 Aggarwal Tower, Plot No.2, Sectior-5, Dwarka, New Delhi-110075(Delhi). The Corporate office of the Company is located at 1501,15th Floor, Sankalp Square 3B, Sindhu Bhavan Road, B/s Hotel Taj Skyline, Shilaj, Ahmedabad-380058 (Gujarat).

The Company is engaged primarily in providing microfinance services to its members for undertaking productive activities in urban/semi-urban/rural areas of India who are organized, inter alia as Joint Liability Groups ("JLGs"). The company has its operation spread across 9 states namely Gujarat, Haryana, Himachal Pradesh, Madhya Pradesh, Rajasthan, Odisha, Uttar Pradesh, Jharkhand and Uttarakhand.

b. Basis of Preparation

Statement of compliance with Indian Accounting Standards (Ind AS)

The financial statements of the Company are prepared in accordance with Indian accounting standards (Ind AS) prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act"), the Master Direction-Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Updated as on April 1, 2026) and other relevant circulars, guidelines and directions as issued by RBI and applicable to NBFC-MFIs.

The financial statements have been prepared on going concern basis as the management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption, in accordance with accounting principles generally accepted in India.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

These Ind AS Financial Statements have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 27, 2026. The above results for the year ended March 31, 2026. have been audited by the Statutory Auditors of the Company.

Basis of measurement

The financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair value through profit and loss (FVTPL) or fair values through other comprehensive income (FVOCI) as explained in relevant accounting policies.

MATERIAL ACCOUNTING POLICY INFORMATION

c. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d. Critical Accounting estimates and judgements

Information about significant areas of estimates, uncertainty and critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

1. Fair Value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using the valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For further details about determination of fair value refer note j and para 29(I) of notes to accounts.

2. **Impairment of Financial instruments**

Assessment of whether the credit risk associated with a financial asset has increased significantly since its initial recognition, along with the incorporation of forward-looking information in the measurement of Expected Credit Loss (ECL), involves significant management judgement.

Determining the impairment allowance for loans and advances requires management to estimate both the amount and timing of future cash flows expected to be recovered. While making these estimates, management evaluates various factors relating to the borrower's financial condition, repayment capacity, historical repayment behaviour, credit quality, level of arrears, and prevailing as well as anticipated economic conditions. Since these estimates are based on assumptions and projections involving multiple variables, actual outcomes may differ from those anticipated, which could result in subsequent changes to the impairment allowance recognized by the Company.

ECL estimates are subject to adjustments through management overlays to reflect management's assessment of prevailing macroeconomic and microeconomic factors, including forward-looking estimates of the economic environment and portfolio-specific risks relevant to the Company's operations.

3. **Defined employee benet assets and liabilities Ā**

The cost of defined benefit gratuity plan and other post-employment benefits along with the present value of the gratuity obligation involves critical accounting estimates and judgements. The determination of these obligations requires actuarial valuation, which involves the use of various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future increase in salary and mortality rates. Due to 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.

4. **Provisions and other contingent liabilities**

The Company operates in a regulatory and legal environment. that by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigations, arbitration regulatory investigations and proceedings in the ordinary course of Company's business. When the Company can reliably measure the outflow of economic benefits in relations to a specific case and considers such outflows to be probable, the company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed., Significant judgement is required to conclude on these estimates. For further details on provision and contingencies refer note u and v.

5. **Provision for income tax and deferred tax**

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that the future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Company exercises its judgment to reassess the carrying amount of deferred tax assets at the end of each reporting period.

6. **Effective interest rate**

The application of the effective interest method requires management to estimate future contractual cash receipts over the expected life of the financial instrument, including assumptions relating to repayment patterns, prepayments, and the treatment of fees, transaction costs, premiums, and discounts that form an integral part of the effective interest rate. Any revision in these estimates requires recalculation of the amortized cost of the financial asset using the original or latest re-estimated EIR, with the resultant adjustment recognized in Interest and Similar Income. The determination and periodic reassessment of these estimates involve considerable judgement, particularly in respect of the expected life of the loan portfolio and timing of future cash flows. Interest income on financial assets, other than those classified as at FVTPL, is recognized using the effective interest basis.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are

believed to be reasonable under the circumstances. Management believes that these estimates used in preparation of the financial statements are prudent and reasonable.

e. Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost of acquisition or construction (including directly attributable expenses thereto) or at revalued amounts, net of impairment loss if any, less depreciation/ amortisation. The cost of property, plant and equipment includes duties, freight and other directly/specifically attributable expenses related to the construction, acquisition and installation of the respective assets.

Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognized.

f. Capital work-in-progress

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

g. Intangible assets

Intangible assets are recorded at the consideration paid / payable for acquisition in case the same have been purchased/acquired. Internally generated intangible assets are carried at cost incurred to generate the asset. These are reviewed for impairment as at the balance sheet date and whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable. If impairment is indicated, the same is recognized in the Statement of Profit and Loss for the period.

Intangible assets under development consists of cost capitalized since the development costs are measurable reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of purchase of license, direct labour and overheads costs that are directly attributable to preparing the asset to its intended use.

h. Depreciation and amortization

All property, plant and equipment, except capital work in progress, are depreciated on a written down value method as per the useful lives as mentioned in Schedule II of Companies Act, 2013. Residual value is considered as 5% in which case it is considered as per Schedule II. Depreciation is charged proportionately from/to the date of acquisition/disposal.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Depreciation method and useful lives are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets are amortized over their estimated useful life, which in management's estimate represents the period during which economic benefits will be derived from their use. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication on impairment based on internal/external factors.

The useful life of the assets estimated by the management:	
Furniture and fixtures*	10 years
Computers	3 years
Office equipment	5 years
Electric Installation	10 years
Leasehold improvements	Life based on the lease period
Intangible Assets	5 years

*Useful life of fixtures for leasehold property is as per life based on the lease period.

i. Financial assets

Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e. the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus,

in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classi. cation and subsequent measurement of financial assets

The Classification and measurement of financial assets depend on the results of business model and the solely payments of principal and interest ("SPPI") test.

Business model: The business model reflects how the Company manages the assets to generate cash flows. That is, where the Company's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Company's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows (i.e. measured at amortized cost) or to collect contractual cash flows and sell (i.e. measured at fair value through other comprehensive income), the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.

- **Financial assets carried at amortised cost**
  Financial assets like loan portfolio are measured at amortised cost, if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
  - The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method less impairment. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.
- Investments in Mutual Funds
  Mutual funds included within FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.
- Investments in security receipts
  Investment in security receipts issued by trust floated by asset reconstruction companies are accounted for at fair value through profit & loss (FVTPL).

I. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date using various valuation techniques. Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The Company's accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortized cost are required to be disclosed in the said financial statements. The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in theq financial statements, using a three level fair- value-hierarchy which reflects the significance of inputs used in the measurement.

All assets and liabilities for which fair value is measured are categorised with fair value hierachy into Level I, Level II and Level III 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 as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - Other than quoted prices included within Level 1, those where the inputs that are used for valuation and are significant, are derived from direclty or indirectly observable market data availble over the entire period of instrument's life.

Level 3 - Unobservable inputs for the asset or liability.

k. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified and measured at amortized cost. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

l. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is de-recognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the financial asset have expired. The Company also derecognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement.

Assignment arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the "original asset"), but assumes a contractual obligation to pay those cash flows to one or more entities (" eventual recipients"), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.
- In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the year between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and can exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on de-recognition of such financial asset previously carried under amortisation cost category. The Company continues to recognise their part of assignment transaction in the books of accounts and the same is recognised at amortised cost. The resulting interest only strip initially is recognised at FVTPL.

As per 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.

m. Derecognition of financial liabilites

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

n. Hedge Accounting

The Company enters swap contracts and other derivatives financial instruments to hedge its exposure to foreign exchange and interest rates. The Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

The Company designates their derivatives as hedges of foreign exchange risks associated with the cash flows of loan repayments including interest part.

Cash Flow hedge

A cash flow hedge is a hedge of the exposure to variabilities in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit and loss.

Here, 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 in equity as 'hedging reserve'.

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as hedged item.

Hedge accounting is discontinued when the hedging instruments expires or is sold, terminated, or exercised or when it no longer qualifies for the hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

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.

o. Impairment of financial assets

In accordance with Ind AS 109, the Company is required to measure expected credit losses (ECL) on its financial instruments designated at amortized cost and fair value through other comprehensive income.

Accordingly, the Company is required to determine lifetime losses on financial instruments where credit risk has increased significantly since its origination. For other instruments, the Company is required to recognise credit losses over next 12-month period. The Company has an option to determine such losses on an individual basis or collectively depending upon the nature of underlying portfolio.

The Company has a process to assess credit risk of all exposures at each year end as follows:

Stage I

These represent exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date. The Company has assessed that all standard exposures (i.e. exposures with no overdue) and exposures up to 30 days overdue fall under this category. In accordance with Ind AS 109, the Company measures ECL on such assets over next 12 months.

Stage II

Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. Based on empirical evidence, significant increase in credit risk is witnessed after the overdue on an exposure exceed a period of 30 days and up to 90 days. Accordingly, the Company classifies all exposures with overdue exceeding 30 days at each reporting date under this Stage. The Company measures lifetime ECL (LTECL) on stage II loans.

Stage III

All exposures having overdue balances for a period exceeding 90 days are defaults and are classified under this stage (91 to 179 Days DPD and 180 and above Days DPD). Accordingly, the Company measures lifetime losses on such exposure. For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Methodology for calculating ECL

The Company determines ECL based on a probability

weighted outcome of factors indicated below to measure the shortfalls in collecting contractual cash flows.

- **Probability of default (PD)**

  The probability of default is an estimate of the likelihood of default over a given time horizon (12-month or lifetime, depending upon the stage of the asset).

- **Exposure at default (EAD)**

  It represents an estimate of the exposure of the Company at a future date after considering repayments by the counterparty before the default event occurs.

- **Loss given default (LGD)**

  It represents an estimate of the loss expected to be incurred when the event of default occurs.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the company analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macroeconomic trends reasonably.

Analysis of inputs to the ECL model under multiple economic scenarios

ECL estimates are subject to adjustments through management overlays to reflect management's assessment of prevailing macroeconomic and microeconomic factors, including forward-looking estimates of the economic environment and portfolio-specific risks relevant to the Company's operations.

p. Write-offs

Impaired Loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. However, financial assets that are written off could still be subject to enforcement activities under Company's recovery procedures, taking into account legal advice where appropriate.

q. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Company as a lessee

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

Right-of-use asset

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. 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.

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 less any lease incentives receivable, variable lease payments, and amounts expected to be paid under residual value guarantees. 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 re-measured if there is a modification, a change in the lease term or a change in the lease payments.

Short-term leases

The Company has elected to account for short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date) and leases of low-value assets using the practical expedients. Instead of recognizing a right-of use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

r. Share based payment

The Company has formulated an Employees Stock Option Schemes. The stock options granted to employees pursuant to the Company's Stock Options

Schemes, are measured at the fair value of the options at the grant date. The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in other equity. The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. It recognizes the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

s. Taxes

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity.

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 liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

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 utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized 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 realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other 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. Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

t. Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings Per Share.

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equities shares outstanding during the period. The weighted average number of equities shares outstanding during the period is adjusted for events including a bonus issue and bonus element in a right issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

u. Provisions

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

v. Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyong the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not have any contingent assets in the financial statements.

w. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques in hand, demand deposits with banks which are kept for original maturities of less than three months, other short-term highly liquid investments with original maturities of three months or less.

x. Cash flow statement

Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

y. Revenue Recognition

Interest Income

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost.

EIR is calculated by considering any fees and all incremental costs that are directly attributable to acquisition of a financial asset and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

The Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit impaired and is, therefore, regarded as 'Stage 3', the Company calculates the interest income to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on gross basis. Additional interest/overdue interest/other charges are recognized only when it is reasonably certain that the ultimate collection will be made.

Income from assignment transactions (refer para l of the notes to the account)

Gain arising on assignment transactions is recorded upfront in the statement of Profit and Loss with complete transfer of risks and rewards and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transactions in accordance with Ind AS 109. Further the transfer of financial assets qualifies for derecognition in its entirely, the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition itself as excess interest spread and correspondingly recognised as profit on derecognition of financial asset.

Fees and Commission income

Income in the form of fees and commission is recognised as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognized at the time when the right to receive is established by the reporting date.

Recovery from bad debts

Recovery from bad debts written off is recognised as income on actual realisation from the customers.

Recognition of other income

Revenue (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 - Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/ collection.

z. Borrowing Cost

Borrowing costs consists of interest and other cost (like fees, commission payable to arranger, external legal cost, and other related expenses) that the Company incurred in connection with the borrowing of funds. Borrowing costs charged to the Statement of Profit and Loss based on effective interest rate method.

aa. Foreign Currency transactions

Transactions denominated in foreign currencies are initially recorded in the functional currency using the spot exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are subsequently restated at the spot exchange rate prevailing as at the reporting date. Exchange differences arising on settlement or restatement of such items, to the extent not capitalized, are recognized as borrowing costs and presented under finance costs.

Notes to Standalone financial statements for the year ended March 31,2026

2. Cash and Cash Equivalents

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on Hand	21.91	68.31
Balances with Banks in Current accounts	13,666.13	27,234.53
Bank deposit with maturity of less than 3 months	-	2,500.00
Total	**13,688.04**	**29,802.84**

3. Bank Balance other than Cash and Cash Equivalents

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed deposit with bank not considered as cash and cash equivalents*	10,785.90	7,758.12
Total	**10,785.90**	**7,758.12**

*Balances with banks to the extent held as margin money or security against the borrowings

4. Derivative Financial Instruments

(Amount in ₹ Lakhs)

Part I	As at March 31, 2026			
	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Currency Derivatives:				
Currency Swaps	16,530.15	2,256.56	-	-
Total Derivatives Financial Instruments	**16,530.15**	**2,256.56**	**-**	**-**

(Amount in ₹ Lakhs)

Part II	As at March 31, 2026			
	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Included in the above are derivatives held for hedging and risk management purposes as follows(cash flow hedging)				
Currency Swaps	16,530.15	2,256.56	-	-
Total Derivatives Financial Instruments	**16,530.15**	**2,256.56**	**-**	**-**

Derivative Financial Instruments

(Amount in ₹ Lakhs)

Part I	As at March 31, 2025			
	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Currency Derivaties:				
Currency Swaps	12,943.75	200.89	-	-
Total Derrivatives Financial Instruments	**12,943.75**	**200.89**	**-**	**-**

(Amount in ₹ Lakhs)

Part II	As at March 31, 2025			
	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Included in the above are derivatives held for hedging and risk management purposes as follows(cash flow hedging)				
Currency Swaps	12,943.75	200.89	-	-
Total Derivatives Financial Instruments	**12,943.75**	**200.89**	**-**	**-**

Notes to Standalone financial statements for the year ended March 31,2026

Hedging activities and derrivatives

The Company uses Currency Swap to hedge its risks associated with foreign currency risk arising from External Commercial Borrowings. Currency Swap provides hedging both Principal and coupon payment on the underlying exposures.

Cash flow hedges: The Company uses Currency Swap to hedge its risks associated with foreign currency risk arising from External Commercial Borrowings. Currency Swap provides hedging of both principal and coupon payments on the underling exposure. The Company designates such contracts in a cash flow hedging relationship by applying the hedge accounting principles as per Ind AS. These contracts are stated at fair value at each reporting date. Changes in the fair value of these contracts that are designated and effective as hedges of future cash flows are recognised directly in " cash flow hedge reserve". Hedge accounting is discontinued when the hedging instruments expires or is sold, terminated, or exercised or no longer qualifies for hedge accounting.

(Amount in ₹ Lakhs)

Part I	Ast at March 31, 2026			
	Notional Amounts	Carrying amount	Change in fair value*	Cash Flow hedge reserve
The impact of hedging instruments(Net)	16,530.15	18,912.60	2,256.56	1,522.52

(Amount in ₹ Lakhs)

Part I	As at March 31, 2025			
	Notional Amounts	Carrying amount	Change in fair value*	Cash Flow hedge reserve
The impact of hedging instruments(Net)	12,943.75	13,463.18	200.89	150.33
*Line Item in the statement of nancial Ā position-Derrivative nancial ĀAssets)				

5. Loans*

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
At Amortised cost		
(A) Term Loans		
Loans	102,446.16	127,417.08
Others	133.35	-
Less: Impairment loss allowance	(5,799.52)	(4,308.25)
Total - Net	**96,779.99**	**123,108.83**
(B) Secured	148.35	-
Unsecured	102,431.16	127,417.08
Less: Impairment loss allowance	(5,799.52)	(4,308.25)
Total - Net	**96,779.99**	**123,108.83**
(C) (I) Loans in india		
(a) Public sector	-	-
(b) Others	102,505.55	127,417.08
(c) Related parties	73.96	-
Total - Gross	**102,579.51**	**127,417.08**
Less: Impairment loss allowance	(5,799.52)	(4,308.25)
Total - Net	**96,779.99**	**123,108.83**
(ii) Loans outside india	-	-
Less: Impairment loss allowance	-	-
Total - Net	**-**	**-**
Total	**96,779.99**	**123,108.83**

Notes to Standalone financial statements for the year ended March 31,2026

5-A Portfolio classification as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
Considered good	97,424.12	831.57	-	98,255.69
Considered doubtful	-	-	5,253.18	5,253.18
Total#	**97,424.12**	**831.57**	**5,253.18**	**103,508.87**

#Portfolio at gross amount

Portfolio classification as at March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
Considered good	125,070.02	1,570.12	-	126,640.16
Considered doubtful	-		2,627.15	2,627.15
Total#	**125,070.02**	**1,570.12**	**2,627.15**	**129,267.31**

#Portfolio at gross amount

Gross Portfolio Movement for the year ended March 31,2026

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
Gross carrying amount as at April 1, 2025 (A)	**125,070.02**	**1,570.12**	**2,627.15**	**129,267.29**
Inter-stage movements				
Stage I	(7,549.00)	1,303.21	6,245.80	-
Stage II	1.86	(132.40)	130.49	-
Stage III	1.47	1.16	(2.60)	-
(B)	**(7,545.67)**	**1,171.97**	**6,373.69**	**-**
New assets originated, repaid and derecognised during the year (C)	(20,100.23)	(1,910.52)	(3,747.66)	(25,758.41)
Gross carrying amount as at March 31, 2026 (A+B+C)	**97,424.12**	**831.57**	**5,253.18**	**103,508.87**

Gross Portfolio Movement for the year ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
Gross carrying amount as at April 1, 2024 (A)	**182,230.17**	**1,378.87**	**2,898.13**	**186,507.19**
Inter-stage movements				
Stage I	(7,772.32)	3,158.39	4,613.94	-
Stage II	5.01	(38.11)	33.10	-
Stage III	4.42	0.05	(4.46)	-
(B)	**(7,762.89)**	**3,120.32**	**4,642.57**	**-**
New assets originated, repaid and derecognised during the year (C)	(49,397.27)	(2,929.07)	(4,913.56)	(57,239.90)
Gross carrying amount as at March 31, 2025 (A+B+C)	**125,070.02**	**1,570.12**	**2,627.15**	**129,267.29**

Notes to Standalone financial statements for the year ended March 31,2026

ECL Movement for the year ended March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
ECL allowance as at April 1, 2025 (A)	**1,375.58**	**942.10**	**1,990.55**	**4,308.25**
Inter-stage movements				
Stage I	(159.99)	13.19	146.80	-
Stage II	1.12	(79.41)	78.29	-
Stage III	0.88	0.70	(1.58)	-
(B)	**(157.99)**	**(65.52)**	**223.51**	**-**
New assets originated, repaid and derecognised during the year (C)	(191.61)	(512.25)	2,195.15	1,491.29
ECL allowance as at March 31, 2026 (A+B+C)	**1,025.98**	**364.33**	**4,409.21**	**5,799.52**

ECL Movement for the year ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
ECL allowance as at April 1, 2024 (A)	**1,974.10**	**797.59**	**2,200.51**	**4,972.20**
Inter-stage movements				
Stage I	(84.80)	33.05	51.75	-
Stage II	2.88	(22.00)	19.12	-
Stage III	2.65	0.03	(2.68)	-
(B)	**(79.26)**	**11.08**	**68.18**	**-**
New assets originated, repaid and derecognised during the year (C)	(519.26)	133.44	(278.14)	(663.96)
ECL allowance as at March 31, 2025 (A+B+C)	**1,375.58**	**942.10**	**1,990.55**	**4,308.25**

6. Investments

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in Others		
Investment in SR-RARC 073 Trust (Units: 61,190 Face Value - Rs.1,000 per unit, NAV - Rs.1,600 per unit) (Previous year: Units: 63,597 Face Value - Rs.1,000 per unit, NAV - Rs.1,528 per unit)	979.04	971.76
Investment in CFMARC TRUST-171 Trust (Units: 6,50,052 Face Value - Rs.1,000, NAV - Rs. 1,000 per unit) per unit invested in March 25) (Previous year: Units: 6,95,360 Face Value - Rs.1,000 per unit invested in March 25 , NAV - Rs. 1,000 per unit)*	4,302.16	6,953.60
Investment in subsidiary		
Investment in Light Capital Private Limited	1.00	-
	5,282.20	**7,925.36**
(i) Investments outside India	-	-
(ii) Investments in India	5,282.20	7,925.36
Total	**5,282.20**	**7,925.36**

7. Other Financial Assets

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Spread receivable on assigned portfolio	2,154.23	2,354.82
Security deposits (unsecured, considered good)	94.42	112.68
Interest Accrued but not due on portfolio loans	1,491.06	1,984.14
Interest Accrued but not due on deposits placed with banks	427.56	326.65
Interest Accrued but not due on assigned portfolio	568.69	570.26
Other nancial Āassets	83.19	78.51
Total	**4,819.15**	**5,427.05**

Notes to Standalone financial statements for the year ended March 31,2026

8. Current Tax Assets (Net)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax (net of provisions)	491.05	299.57
Total	**491.05**	**299.57**

9. Deferred Tax Asset (Net)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed Assets : Impact of difference between tax depreciation & depreciation/amortization charged for the nancial Āreporting	121.10	78.30
Provision against Portfolio Loans	1,459.62	1,084.30
Provision against DA	94.39	112.92
Provision against SR	553.28	-
Gain/loss on Gratuity actuarial valuation transferred to OCI	20.72	16.99
Gain/loss on fair value of Derrivative instrument transferred to OCI	(517.37)	(69.19)
Gain/loss on SR Investment	(7.90)	(22.74)
Impact of amortised advance cost	185.86	464.99
Impact of ROU asset and Lease liabilities	35.59	20.25
Impact for Compesated absences	119.37	94.77
Impact for Gratuity	96.06	66.29
Impact of Direct assigment	(765.68)	(826.12)
Impact of Business Loss	2,781.86	-
Total	**4,176.90**	**1,020.75**

10-A. Property, Plant & Equipments and Intangible Assets

Particulars	Property, plant and equipment (a)							Intangible assets (b)	
	Motor Car & Vehicle	Furniture & Fittings	Computer & System	Office Equipments	Electrical Installation	Lease hold	Total	Softwares	Total
Cost									
As at 1 April 2024	**11.54**	**382.01**	**1,101.60**	**156.97**	**123.95**	**-**	**1,776.08**	**1,446.58**	**1,446.58**
Additions	-	219.87	157.11	141.54	158.88	194.00	871.39	887.91	887.91
Disposals	-	41.97	6.45	13.64	4.47	-	66.54	-	-
As at 31 March 2025	**11.54**	**559.91**	**1,252.26**	**284.86**	**278.36**	**194.00**	**2,580.93**	**2,334.49**	**2,334.49**
Additions	-	0.15	0.16	4.76	0.81	31.32	37.20	360.49	360.49
Disposals	-	18.62	11.26	3.41	2.85	-	36.13	-	-
As at 31 March 2026	**11.54**	**541.44**	**1,241.17**	**286.22**	**276.32**	**225.31**	**2,582.00**	**2,694.98**	**2,694.98**
Depreciation/amortisation									
As at 1 April 2024	**10.05**	**140.90**	**719.16**	**87.30**	**35.35**	**-**	**992.73**	**490.04**	**490.04**
Depreciation/amortization charge	0.47	87.56	311.03	63.72	41.98	21.52	526.27	634.63	634.63
Disposal	-	21.98	6.23	10.92	2.27	-	41.39	-	-
As at 31 March 2025	**10.52**	**206.48**	**1,023.97**	**140.11**	**75.05**	**21.52**	**1,477.61**	**1,124.67**	**1,124.67**
Depreciation/amortization charge	0.32	93.18	131.16	65.92	55.40	54.56	400.55	626.82	626.82
Disposal	-	13.92	10.76	2.76	1.99	-	29.44	-	-
As at 31 March 2026	**10.84**	**285.74**	**1,144.37**	**203.27**	**128.46**	**76.08**	**1,848.72**	**1,751.49**	**1,751.49**
Net block value:									
As at 31 March 2025	**1.02**	**353.43**	**228.29**	**144.76**	**203.30**	**172.48**	**1,103.32**	**1,209.83**	**1,209.83**
As at 31 March 2026	**0.70**	**255.70**	**96.79**	**82.95**	**147.86**	**149.23**	**733.28**	**943.49**	**943.49**

Note: No revaluation of any class of asset is carried out during the year.

Notes to Standalone financial statements for the year ended March 31,2026

10-B. Intangible Assets under development

Intangible assets under development	(Amount in ₹ Lakhs)
As at 1 April 2024	**116.03**
Additions	169.68
Disposals/Developed	257.26
As at 31 March 2025	**28.45**
Additions	22.40
Disposals/Developed	50.85
As at 31 March 2026	**-**

Note: During the year, there was no impairment of assets of the company.

Intangible Assets Under Development	< 1 Year	1 - 2 Years	2-3 Years	> 3 Years
As at 31 March 2026				
LUMEN	-	-		
Total	**-**	**-**	**-**	**-**

Intangible Assets Under Development	< 1 Year	1 - 2 Years	2-3 Years	> 3 Years
As at 31 March 2025				
LUMEN	28.45	-		
Total	**28.45**	**-**	**-**	**-**

10-C. Capital work in progress

Capital work in progress	(Amount in ₹ Lakhs)
As at 31 March 2024	**284.56**
Additions	349.07
Disposals	633.63
As at 31 March 2025	**-**
Additions	-
Disposals	-
As at 31 March 2026	**-**

Notes to Standalone financial statements for the year ended March 31,2026

11. Other Non Financial Assets

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	901.68	293.59
Advances to employees	4.68	2.33
Goods and services tax receivables	690.91	284.48
Other advances	348.31	136.00
Total	**1,945.58**	**716.40**

12. Trade Payables

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
(I) Total outstanding dues of creditors Micro enterprises and small enterprises	78.27	93.78
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	139.56	131.16
Total	**217.83**	**224.94**

As at March 2026

(Amount in ₹ Lakhs)

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 Year	Total
(I) MSME	78.27	-	-	78.27
(ii) Others	139.56	-	-	139.56
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
Total	**217.83**	**-**	**-**	**217.83**

As at March 2025

(Amount in ₹ Lakhs)

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 Year	Total
(I) MSME	93.78	-	-	93.78
(ii) Others	131.16	-	-	131.16
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
Total	**224.94**	**-**	**-**	**224.94**

13. Debt Securities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
At Amortised cost		
Secured debentures	18,661.34	15,833.34
Total	**18,661.34**	**15,833.34**
Debt securities in India	18,661.34	15,833.34
Debt securities outside India		- -
Total	**18,661.34**	**15,833.34**

Notes to Standalone financial statements for the year ended March 31,2026

Debt securities (at amortised cost)	As at March 31, 2026	As at March 31, 2025
Nil (Mar 31,2025: 2500 Nos) 12.65 % (July 28, 2023 : 2500 Nos) Non Convertible Debentures of Rs 1,00,000/- redeemable in 1st Instalment by August 2025 (Secured)	-	2,500.00
Nil (Mar 31,2025: 12,228 Nos) 12.56% (Nov 24, 2022 : 12228 Nos) Non Convertible Debentures of Rs 10,000/- redeemable in 1st Instalment by November 2025 & in 2nd installment by November 2027 (Secured)	-	1,222.80
Nil (Mar 31,2025: 12,228 Nos) 12.56% (Nov 24 26, 2022 : 12228 Nos) Non Convertible Debentures of Rs 10,000/- redeemable in 1st Instalment by November 2025 & in 2nd installment by November 2027 (Secured)	-	1,222.80
Nil (Mar 31,2025: 320 Nos) 13.80% (Dec 12, 2022 : 320 Nos) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1st Instalment by December 2025 (Secured)	-	3,200.00
4,000 Nos , (Mar 31,2025: Nil Nos) 12.95% (January 28, 2026: 4000 Nos) Non Convertible Debentures of Rs.1,00,000/-redeemable in 1st Instalment by July 2026 (Secured)	4,000.00	-
120 Nos, (Mar 31,2025: 160 Nos) 13.80%% (Sept 26, 2022 : 160 Nos) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1 Instalment by September 2026 (Secured)	1,200.00	1,600.00
2050 Nos, (Mar 31,2025: 2050 Nos) 13.06% (Dec 26, 2023 : 2050 Nos) Non Convertible Debentures of Rs 1,00,000/- redeemable in 1st Instalment by January 2027 (Secured)	2,050.00	2,050.00
4100 Nos, (Mar 31,2025: 4100 Nos.) 13.06% (May 28 , 2024 : 4100 Nos) Non Convertible Debentures of Rs. 1,00,000/- redeemable in 1st Instalment by May 2027. (Secured)	4,100.00	4,100.00
7,390 Nos, (Mar 31,2025: Nil Nos) 11.90% (May 30, 2025: 7390 Nos) Non Convertible Debentures of Rs.1,00,000/- redeemable in 1st Instalment by May 30, 2028 (Secured)	7,390.00	-
Unamortised borrowing cost	(78.66)	(62.26)
Total	**18,661.34**	**15,833.34**

14. Borrowings (other then Debt Securities)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
At Amortised cost		
(a) Term Loans (Secured)		
(i) from banks	30,577.30	74,301.80
(ii) from other parties (nancial Āinstitutions)	18,516.35	14,285.49
(b) Term Loans (Unsecured)	3,853.28	-
(c) External commercial borrowing	18,870.38	13,375.56
(d) Cash Credit	-	794.10
(e) FDOD	1,177.83	-
Total	**72,995.13**	**102,756.95**
Borrowings in India	54,124.75	89,381.39
Borrowings Outside India	18,870.38	13,375.56
Total	**72,995.13**	**102,756.95**

Notes to Standalone financial statements for the year ended March 31,2026

15. Subordinated Liabilities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Term Loans (Unsecured)	7,000.00	7,000.00
(b) Debenture (Unsecured)		
100 Nos (March 31, 2025 100 Nos), 16% (Mar 31,2021: 100) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1 Instalment by June, 2026 (Unsecured)	1,000.00	1,000.00
3000 Nos (March 31, 2025 3,000 Nos), 14.5% (Dec 28,2023 :3000 Nos) Non Convertible Debentures of Rs 1,00,000/- redeemable in 1 Instalment by May, 2029 (Unsecured)	3,000.00	3,000.00
"Unamortised borrowing cost	(116.75)	(155.26)
Total	**10,883.25**	**10,844.74**
Subordinated Liabilities in India	10,883.25	10,844.74
Subordinated Liabilities outside India	-	-
Total	**10,883.25**	**10,844.74**

Details of Debt Securities, Borrowing and Subordinated Liabilities and External Commercial Borrowings

Sr. No.	Particulars	Outstanding Amount in lakhs	Terms of Redemption / Repayment	Security
A)	**Term Loan from Bank**			
1	Bank of Baroda	598.62	Repayble in 30 monthly installment from 30.03.2024 Rate of Interest: Floating Maturity Period:2.5 years No of Installment Due: 5 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
2	Bank of Maharashtra	3,000.00	Repayble in 30 monthly installment from 29.03.2025 Rate of Interest: Floating Maturity Period:2.5 years No of Installment Due: 16 months and 29 days	Secured by hypothecation of book debts created out of the loan availed
3	DCB Bank	1,228.14	Repayble in 26 monthly installment from 31.07.2024 Rate of Interest: Floating Maturity Period:2.2 years No of Installment Due: 5 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
4	Federal Bank	250.00	Repayble in 24 monthly installment from 31.08.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 4 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
5	Federal Bank	750.00	Repayble in 24 monthly installment from 25.09.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 5 months and 25 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Standalone financial statements for the year ended March 31,2026

6	Federal Bank	500.00	Repayble in 24 monthly installment from 30.09.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 5 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
7	Federal Bank	1,125.00	Repayble in 24 monthly installment from 18.10.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 6 months and 17 days	Secured by hypothecation of book debts created out of the loan availed
8	Federal Bank	375.00	Repayble in 24 monthly installment from 25.11.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 7 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
9	ICICI Bank	545.45	Repayble in 24 monthly installment from 31.07.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 4 months and 0 days	Secured by hypothecation of book debts created out of the loan availed
10	IDFC First Bank	625.00	Repayble in 24 monthly installment from 30.09.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 5 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
11	IDFC First Bank	625.00	Repayble in 24 monthly installment from 01.10.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 6 months and 0 days	Secured by hypothecation of book debts created out of the loan availed
12	IDFC First Bank	4,166.67	Repayble in 54 monthly installment from 24.06.2025 Rate of Interest: Floating Maturity Period:4.5 years No of Installment Due: 44 months and 23 days	Secured by hypothecation of book debts created out of the loan availed
13	IDFC First Bank	6,875.00	Repayble in 36 monthly installment from 06.12.2025 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 32 months and 5 days	Secured by hypothecation of book debts created out of the loan availed
14	Indian Overseas Bank	733.83	Repayble in 27 monthly installment from 27.02.2024 Rate of Interest: Floating Maturity Period:2.3 years No of Installment Due: 1 months and 26 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Standalone financial statements for the year ended March 31,2026

15	Karur Vysya Bank	277.25	Repayble in 27 monthly installment from 28.03.2024 Rate of Interest: Floating Maturity Period:2.3 years No of Installment Due: 2 months and 28 days	Secured by hypothecation of book debts created out of the loan availed
16	State Bank of India	4,211.83	Repayble in 27 monthly installment from 31.05.2024 Rate of Interest: Floating Maturity Period:2.3 years No of Installment Due: 4 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
17	State Bank of Mauritius	2,249.98	Repayble in 24 monthly installment from 30.07.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 15 months and 29 days	Secured by hypothecation of book debts created out of the loan availed
18	Small Industrial Development Bank of India	352.00	Repayble in 36 monthly installment from 30.06.2023 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 2 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
19	Small Industrial Development Bank of India	1,000.00	Repayble in 36 monthly installment from 17.08.2023 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 2 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
20	Small Industrial Development Bank of India	580.65	Repayble in 36 monthly installment from 29.12.2023 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 8 months and 28 days	Secured by hypothecation of book debts created out of the loan availed
21	Small Industrial Development Bank of India	1,567.00	Repayble in 36 monthly installment from 16.01.2024 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 9 months and 16 days	Secured by hypothecation of book debts created out of the loan availed
22	IDFC First Bank	5000.00	Repayble in 66 monthly installment from 31.03.2024 Rate of Interest: Floating Maturity Period:5.5 years No of Installment Due: 41 months and 15 days	Unsecured
	Total From Term loan from Bank-(A)	**36,636.41**		

Notes to Standalone financial statements for the year ended March 31,2026

B)	Term loans from NBFC			
1	Arohan Financial Services Limited	1,594.26	Repayble in 24 monthly installment from 25.04.2025 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 11 months and 22 days	Secured by hypothecation of book debts created out of the loan availed
2	Arohan Financial Services Limited	539.68	Repayble in 12 monthly installment from 30.08.2025 Rate of Interest: Floating Maturity Period:1 years No of Installment Due: 4 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
3	Arohan Financial Services Limited	2,318.97	Repayble in 24 monthly installment from 26.09.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 17 months and 26 days	Secured by hypothecation of book debts created out of the loan availed
4	Arohan Financial Services Limited	844.94	Repayble in 18 monthly installment from 31.12.2025 Rate of Interest: Floating Maturity Period:1.5 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
5	Maanaveeya Development & Finance Pvt Ltd	1,036.20	Repayble in 24 monthly installment from 20.01.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 8 months and 19 days	Secured by hypothecation of book debts created out of the loan availed
6	MAS Financial Services Ltd	250.00	Repayble in 24 monthly installment from 30.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
7	MAS Financial Services Ltd	250.00	Repayble in 24 monthly installment from 30.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
8	MAS Financial Services Ltd	250.00	Repayble in 24 monthly installment from 30.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Standalone financial statements for the year ended March 31,2026

9	MAS Financial Services Ltd	250.00	Repayble in 24 monthly installment from 30.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
10	MAS Financial Services Ltd	333.33	Repayble in 24 monthly installment from 23.07.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 15 months and 22 days	Secured by hypothecation of book debts created out of the loan availed
11	MAS Financial Services Ltd	333.33	Repayble in 24 monthly installment from 23.07.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 15 months and 22 days	Secured by hypothecation of book debts created out of the loan availed
12	Nabsamruddhi Finance Ltd	808.46	Repayble in 24 monthly installment from 31.12.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 8 months and 29 days	Secured by hypothecation of book debts created out of the loan availed
13	Northern Arc Capital Ltd	1,250.00	Repayble in 24 monthly installment from 05.03.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 10 months and 1 days	Secured by hypothecation of book debts created out of the loan availed
14	Northern Arc Capital Ltd	1,250.00	Repayble in 24 monthly installment from 05.03.2025 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 10 months and 3 days	Secured by hypothecation of book debts created out of the loan availed
15	Northern Arc Capital Ltd	2,625.00	Repayble in 24 monthly installment from 29.09.2025 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 17 months and 29 days	Secured by hypothecation of book debts created out of the loan availed
16	Northern Arc Capital Ltd	2,000.00	Repayble in 24 monthly installment from 11.03.2026 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 23 months and 13 days	Secured by hypothecation of book debts created out of the loan availed
17	Oxyzo Financial Services Pvt Ltd	833.33	Repayble in 24 monthly installment from 25.01.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 9 months and 0 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Standalone financial statements for the year ended March 31,2026

18	Oxyzo Financial Services Pvt Ltd	1,333.33	Repayble in 24 monthly installment from 26.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 15 months and 4 days	Secured by hypothecation of book debts created out of the loan availed
19	Vivriti Capital Limited	1,000.00	Repayble in 27 monthly installment from 11.12.2025 Rate of Interest: Floating Maturity Period:2.3 years No of Installment Due: 23 months and 9 days	Secured by hypothecation of book debts created out of the loan availed
20	Maanaveeya Development & Finance Pvt Ltd	2,000.00	Repayble in 72 monthly installment from 23.01.2022 Rate of Interest: Fixed Maturity Maturity Period:6 years No of Installment Due: 19 months and 23 days	Unsecured
21	Annapurna Finance Private Limited	3,853.28	Repayble in 24 monthly installment from 20.02.2026 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 22 months and 29 days	Unsecured
	Total From Term Loan from NBFC-(A)	**24,954.12**		
C)	**Non-Convertible Debentures (Secured)**			
1	Japan Asean Women Empowerment Fund SA,SICAV-SIF	1,200.00	Repayble in 36 monthly installment from 27.03.2023 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 5 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
2	Developing World Markets	2,050.00	Repayble in 36 monthly installment from 26.03.2024 Rate of Interest: Fixed Maturity Period:3 years No of Installment Due: 8 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
3	Developing World Markets	4,100.00	Repayble in 36 monthly installment from 28.08.2024 Rate of Interest: Fixed Maturity Period:3 years No of Installment Due: 13 months and 27 days	Secured by hypothecation of book debts created out of the loan availed
4	Responsibility UTI International Wealth Creator 4	7,390.00	Repayble in 36 monthly installment from 30.05.2025 Rate of Interest: Fixed Maturity Period:3 years No of Installment Due: 25 months and 29 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Standalone financial statements for the year ended March 31,2026

5	Vivriti Capital Limited	4,000.00	Repayble in 30 monthly installment from 28.01.2026 Rate of Interest: Fixed Maturity Period:2.5 years No of Installment Due: 27 months and 27 days	Secured by hypothecation of book debts created out of the loan availed
	Total From Non-Convertible Debentures(Secured)-(C))	**18,740.00**		
D)	**Non-Convertible Debentures (Unsecured)**			
1	Northern Arc Capital Ltd	860.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
2	DISKLAYER TECHNO PVT LTD	20.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
3	MANISH CHANDRA NIGAM HUF	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
4	RIDDHI BAID	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
5	SANJAYKUMAR AGARWAL	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
6	SARLA C. PATEL	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
7	SHARAT JAIN	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured

Notes to Standalone financial statements for the year ended March 31,2026

8	SOFTACULOUS LIMITED	70.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
9	A K Capital Finance Ltd	3,000.00	Repayble in 65 monthly installment from 31.01.2024 Rate of Interest: Fixed Maturity Period:5.4 years No of Installment Due: 37 months and 27 days	Unsecured
	Total From Non-Convertible Debentures(Unsecured)- (D)	**4,000.00**		
E) External commercial borrowings				
1	responsAbility SICAV (LUX) Financial Inclusion Fund	2,844.00	Repayble in 72 monthly installment from 15.12.2023 Rate of Interest: Fixed Maturity Period:6 years No of Installment Due: 38 months and 14 days	Secured by hypothecation of book debts created out of the loan availed
2	responsAbility SICAV (LUX) Micro and SME Finance Leaders	1,422.00	Repayble in 72 monthly installment from 15.12.2023 Rate of Interest: Fixed Maturity Period:6 years No of Installment Due: 38 months and 14 days	Secured by hypothecation of book debts created out of the loan availed
3	responsAbility SICAV (LUX) Micro and SME Finance Debt Fund	2,844.00	Repayble in 72 monthly installment from 15.12.2023 Rate of Interest: Fixed Maturity Period:6 years No of Installment Due: 38 months and 14 days	Secured by hypothecation of book debts created out of the loan availed
4	Japan Asean Women Empowerment Fund SA,SICAV-SIF	4,740.00	Repayble in 48 monthly installment from 27.12.2023 Rate of Interest: Fixed Maturity Period:4 years No of Installment Due: 14 months and 28 days	Secured by hypothecation of book debts created out of the loan availed
5	Grameen Credit Agricole Foundation	3,270.60	Repayble in 48 monthly installment from 11.04.2024 Rate of Interest: Fixed Maturity Period:4 years No of Installment Due: 24 months and 12 days	Secured by hypothecation of book debts created out of the loan availed
6	Global Gender Smart Fund (Incon) Ā	3,792.00	Repayble in 36 monthly installment from 19.12.2025 Rate of Interest: Fixed Maturity Period:3 years No of Installment Due: 32 months and 18 days	Secured by hypothecation of book debts created out of the loan availed
	Total From External Commercial Borrowings-(E)	**18,912.60**		

Notes to Standalone financial statements for the year ended March 31,2026

E) FOOD			
1	State Bank of India	1,177.41	Secured by Fixed Deposit
2.	IDFC First Bank	0.42	Secured by Fixed Deposit
	Total From Cash Credit -(F)	**1,177.83**	

G)	**Hedging**		
1	Federal Bank	2,171.46	Secured by hypothecation of book debts created out of the loan availed
	Total From Hedging Explosure (G)	2,171.46	
	GRAND TOTAL (A+B+C+D+E+F)	**104,420.95**	

16. Other Financial Liabilities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest Accrued But Not Due on Borrowings	968.19	856.87
Dues to the assignees towards collections from assigned receivables	4,573.05	4,736.60
Other Payable	33.53	15.83
Total	5,574.77	5,609.30

17. Provisions

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity	381.67	263.38
Provision for compensated absences	474.29	376.57
Provision for Expenses	167.37	428.94
Other Provision	72.91	65.40
Total	**1,096.24**	**1,134.28**

18. Other Non Financial Liabilities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Employee Benets ĀPayable	395.10	1,053.48
Statutory Dues Payable	364.08	419.06
Total	**759.18**	**1,472.54**

Notes to Standalone financial statements for the year ended March 31,2026

19. Share Capital

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Share Capital		
Equity Share		
6,31,80,000 (Mar 31,2025 6,31,80,000) Equity Shares of Rs 10 each	6,318.00	6,318.00
Preference Share		
2,13,20,000 (Mar 31, 2025 2,13,20,000) Preference Share of Rs 10 each	2,132.00	2,132.00
3,50,00,000 (Mar 31, 2025 3,50,00,000) Preference Share of Rs 20 each	7,000.00	7,000.00
Total Authorised Share Capital	**15,450.00**	**15,450.00**
Issued, Subscribed and Fully Paid-up Share Capital		
Equity Share		
2,50,50,009 (Mar 31, 2025: 2,50,50,009) Equity Shares of Rs 10 each	2,505.00	2,505.00
Compulsory Convertible Preference Share		
82,65,801 (Mar 31, 2025 82,65,801) Compulsory Convertible Preference Shares (CCPS Series A) of Rs 10 each bearing coupon dividend rate of 0.001%)	826.58	826.58
1,25,61,572 (Mar 31, 2025 1,25,61,572) Compulsory Convertible Preference Shares (CCPS Series A1) of Rs 10 each bearing coupon dividend rate of 0.001%)	1,256.16	1,256.16
3,09,59,699 (Mar 31, 2025 3,09,59,699) Compulsory Convertible Preference Shares (CCPS Series B) of Rs 20 each bearing coupon dividend rate of 0.001%)	6,191.94	6,191.94
Total Paid up Share Capital	**10,779.68**	**10,779.68**

Total Issued, Subscribed and Fully Paid-up Share Capital

(a) (i) Reconciliation of the number of Equity shares and amount outstanding at the beginning and at the end of the year

Particulars	As at March, 31 2026		As at March, 31 2025	
	No. of Shares	(₹)	No. of Shares	(₹)
At the beginning of the Period	25,050,009	2,505.00	25,050,009	2,505.00
Issued During the Period	-	-	-	-
Outstanding at the end of the Period	**25,050,009**	**2,505.00**	**25,050,009**	**2,505.00**

(a) (ii) Reconciliation of the number of Compulsory Convertible Preference shares and amount outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March, 31 2025	
	No. of Shares	(₹)	No. of Shares	(₹)
At the beginning of the Period	51,787,072	8,274.68	51,787,072	8,274.68
Issued During the Period	-	-	-	-
Outstanding at the end of the Period	**51,787,072**	**8,274.68**	**51,787,072**	**8,274.68**

Notes to Standalone financial statements for the year ended March 31,2026

(b) Details of Shareholders holding more than 5% shares:

(Amount in ₹ Lakhs)

Class of shares / Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs.10 each fully paid				
Deepak I. Amin	12,899,999	51.50%	12,899,999	51.50%
Kaushik I. Amin	5,888,065	23.51%	5,888,065	23.51%
VARK NAL Holdings Inc.	5,531,935	22.08%	5,531,935	22.08%
Compulsory Convertible preference shares (CCPS Series A) of Rs.10 each fully paid				
NMI Fund IV KS	2,755,267	5.32%	2,755,267	5.32%
Pettelaar Effectenbewaarbedrijf N.V.	2,755,267	5.32%	2,755,267	5.32%
Agrif Cooperatief UA	2,755,267	5.32%	2,755,267	5.32%
Compulsory Convertible preference shares (CCPS Series A1) of Rs.10 each fully paid				
NMI Fund IV KS	5,491,579	10.60%	5,491,579	10.60%
Pettelaar Effectenbewaarbedrijf N.V.	3,530,630	6.82%	3,530,630	6.82%
Agrif Cooperatief UA	3,539,363	6.83%	3,539,363	6.83%
Compulsory Convertible preference shares (CCPS Series B) of Rs.20 each fully paid				
British International Investment plc	11,628,999	22.46%	11,628,999	22.46%
NMI Fund IV KS	9,985,780	19.28%	9,985,780	19.28%
Pettelaar Effectenbewaarbedrijf N.V.	6,825,723	13.18%	6,825,723	13.18%

(c) Details of Shareholding of Promoters

Class of shares / Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs.10 each fully paid				
Deepak I. Amin	12,899,999	51.50%	12,899,999	51.50%

(d) Compulsory Convertible Preference shares Conversion Terms :

Type of Shares	Conversion Ratio	Conversion period
CCPS Series A	8 Equity shares against 10 CCPS each	At the demand of CCPS holder subject to Reserve Bank of India Approval.
CCPS Series A1	1 Equity shares against 1 CCPS each	The conversion should be done within 20 years from the date of allotment.
CCPS Series B	1 Equity shares against 1 CCPS each	

(e) The Company has issued only one class of shares referred to as Equity Shares having a par value of Rs 10/-. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend as and when declared. All shares rank equally with regard to the Company's residual assets.

Notes to Standalone financial statements for the year ended March 31,2026

20. Other Equity

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory Reserve		
Balance as per the beginning of the year	2,754.60	2,668.40
Add: Amount Transferred from balance in the statement of prot Āand loss u/s 45 IC of Reserve Bank of India Act, 1934	-	86.20
Closing Balance	**2,754.60**	**2,754.60**
Security Premium		
Balance as per the last nancial Āstatements	18,575.95	18,575.95
Closing Balance	**18,575.95**	**18,575.95**
Share Options Outstanding Account		
Balance as per the beginning of the year	281.58	198.82
Add: Reserve added during the year Option Granted	174.57	82.75
Closing Balance	**456.15**	**281.58**
Money received against share warrants		
Balance as per the beginning of the year	28.30	28.30
Add: Share warrant received	-	-
Closing Balance	**28.30**	**28.30**
Surplus		
Surplus at the beginning of the year	8,178.94	7,783.61
Add: Surplus for the period	(9,246.43)	636.73
Less: Cash flow hedge reserve	(1,538.30)	(205.72)
Add: Remeasurement of Dened ĀBenet ĀPlan	61.60	50.52
Less: Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934	-	(86.20)
Closing Balance	**(2,544.19)**	**8,178.94**
Other comprehensive Income		
Surplus at the beginning of the year	45.82	(109.39)
Cashflow hedge reserve	1,538.30	205.72
Remeasurement of Dened ĀBenet ĀPlan	(61.60)	(50.52)
Closing Balance	**1,522.52**	**45.82**
Total Reserves and Surplus	**20,793.33**	**29,865.18**

Nature and purpose of reserve

Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)

Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of prot Āfor the year, as per section 45-IC of Reserve Bank of India Act 1934.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The share option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

Retained earnings

Retained earnings are the prots Āthat the Company has earned till date, less any transfers to statutory reserve, general reserve or any other such other appropriations to specic Āreserves.

Money received against share warrants

On 20th January,2024, the Company has allotted 42,87,511 share warrants, each exchangeable into 1 equity share of the Company at an exercise price of INR 66/- per share warrants, of which an initial warrant subscription amount of INR 0.66 per share warrant has been received at the time of allotment.

Cashflow hedge reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Notes to Standalone financial statements for the year ended March 31,2026

21. Interest Inocme

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
At Amortised Cost		
Interest Income on Portfolio Loans	28,891.21	41,449.45
Total	**28,891.21**	**41,449.45**

22. Other Operating Income

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
On Financial assets held at Amortised Cost		
Interest on assignment transaction	4,622.27	6,215.75
Fees & Commission Income	20.32	11.28
Interest on deposits with banks	629.26	514.38
Total	**5,271.85**	**6,741.41**

23. Other Income

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Unrealised gain on investment in SR	31.38	-
Prot Āon sale of mutual fund units		
Realised	609.74	1,257.08
Prot Āon sale of fixed assets	0.46	0.01
Miscellaneous Income	53.03	45.05
Total	**694.61**	**1,302.15**

24. Finance Cost

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
At Amortised Cost		
Interest on debt securities	2,459.25	2,481.35
Interest on Borrowings	9,251.42	14,012.64
Interest on subordinate liabilities	1,672.50	1,668.44
Interest on External commercial borrowing	1,404.78	1,333.18
Lease liability interest obligation	117.53	84.26
Foreign Exchange Fluctuation	1,863.06	363.78
Other charges	1,123.45	996.15
Total	**17,891.99**	**20,939.80**

25. Impairment of Financial Instruments

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Impairment/(Reversal) of Impairment on Financial Instruments*	3,615.98	(457.28)
Net loss on derecognition of nancial Āinstruments under amortised cost category#	6,669.32	5,440.17
Total	**10,285.30**	**4,982.89**

*Includes impairment provision on loan & advance of 1,491.26 lakhs, provision on investment of Rs.2,198.36 lakhs and provision on other nancial Āassets of Rs.(Rs. 73.64 lakhs) for current year.

Impairment provision on loan & advance of (Rs.663.94 lakhs) , provision on trade receivable of (Rs.0.01 lakhs) and provision on other nancial Āassets of Rs.206.67 for previous year.

#The net loss on derecognition of nancial Āinstruments amounts to Rs. 5,440.17 lakhs, from a total write-off of Rs. 10,089.21 lakhs after adjusting for gain of Rs. 4,649.04 lakhs from the ARC transaction, in the previoys year.

Notes to Standalone financial statements for the year ended March 31,2026

26. Employee Benet ĀExpense

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Salaries and wages	12,132.97	14,502.20
Contribution to provident and other funds	1,149.46	1,259.25
Expense on Employee Stock Option Scheme (ESOP)	174.57	82.75
Staff Welfare Expenses	512.08	554.62
Total	**13,969.08**	**16,398.82**

27. Depreciation & Amortization Expenses

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
On property, plant and equipment	400.55	526.27
On intangible assets	626.82	634.63
On right of use assets	127.66	217.28
Total	**1,155.03**	**1,378.18**

28. Other Expenses

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Advertisement Expenses	0.31	0.79
Communication Expenses	413.06	399.83
Travelling & Conveyance Expenses	1,262.33	1,899.51
Corporate Social Responsibility Expenses	80.16	79.52
Electricity Expenses	81.27	83.90
Insurance Expenses	12.48	7.87
Office Expenses	175.68	272.35
Legal Expenses	5.82	3.74
Postage & Courier	31.42	54.74
Professional Fees	2,378.16	1,077.68
Rent Expenses	524.90	554.59
Repairs & Maintenance Expenses	41.66	45.14
Rates and Taxes	456.52	234.94
Stationery and Printing Expenses	31.32	44.12
Payment to Auditors (as per note below)	26.33	26.09
Director Sitting Fees	28.00	22.50
Loss on investment in SR	-	5.83
Digital Collection Commission	406.54	16.58
Miscellaneous Expenses	109.35	222.52
Total	**6,065.31**	**5,052.26**

Breakup of Payments to Auditors

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Statutory Audit Fee	14.20	12.50
Limited review Fee	7.75	6.50
Certication ĀFee	3.60	5.45
Other matters	0.78	1.64
TOTAL	**26.33**	**26.09**

Notes to financial statements for the year ended 31 March, 2026

NOTE 29: NOTES TO STANDALONE FINANCIALS STATEMENTS

a. Tax Expenses

(Amount in ₹ Lakhs)

Income tax recognised in the Statement of Profit and Loss:	2025-2026	2024-2025
Current tax	-	133.11
Deferred tax (credit)	(3,652.80)	76.37
Tax expense of earlier years	(133.11)	50.06
Total	**(3,785.91)**	**259.54**

(Amount in ₹ Lakhs)

Income tax recognised in other comprehendsive income	2025-2026	2024-2025
Deferred tax arising on re-measurement gain on dened Ābenet Āplans	20.72	16.99
Deferred tax arising on derivative nancial Āinstruments	(517.37)	(69.19)
Total	**(496.65)**	**(52.20)**

(Amount in ₹ Lakhs)

Reconciliation of income tax expense and the accounting profit for the year:	2025-2026	2024-2025
Prot/ Ā(loss) before tax	(14,509.04)	741.06
Enacted tax rates (%)	25.17%	25.17%
Income tax expense calculated at corporate tax rate	-	186.51
Reconciliation items		
Tax impact of expenses not deductible/ additional tax allowance	-	(53.40)
Impact of tax relating to the earlier year	(133.11)	50.06
Impact on account of deductions claimed under Income Tax Act	-	-
Others – Deferred Tax	(4,176.90)	76.37
	(4,310.01)	259.54

B. Earnings per Share

(Amount in ₹ Lakhs)

Particulars		2025-2026	2024-2025
(a)	Net prot Āafter tax as per Statement of Prot Āand Loss	(10,723.13)	481.52
(b)	Weighted average number of equity shares for basic EPS	250.50	250.50
(c)	Weighted average number of equity shares for diluted EPS	760.11	761.77
(d)	Basic Earnings per Share (in rupees) (a/b)	(42.81)	1.92
(e)	Diluted Earnings per Share (in rupees) (a/c)	(42.81)	0.81

C. Foreign Currency Transactions

(Amount in ₹ Lakhs)

Particulars	Currency	2025-2026	2024-2025
Expenditure in Foreign Currency- MIS Infrastructure Expenses and other Expenses	US Dollars	53,055.52	1,43,869.73
	Euro	3,783.00	396.00
	Indian Rupees (in lakh)	50.10	121.91
Expenditure in Foreign Currency- processing Fees and other finance charges	US Dollars	-	49,075.00
	Euro	-	30,000.00
	Indian Rupees (in lakh)	-	67.40
Expenditure in Foreign Currency-Finance cost(interest)	US Dollars	11,41,680.09	12,76,950.96
	Euro	1,95,000.00	99,904.11
	Indian Rupees (in lakh)	1,200.82	1,167.65
Earning in Foreign Currency	-	-	-

Notes to financial statements for the year ended 31 March, 2026

D. Segment Reporting

The Company operates in a single business segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108 on 'Operating segments' notied Ā under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The Company operates in a single geographical segment i.e. domestic.

E. Lease

The Company has entered into agreements for taking its office premises under lease and license arrangements. The carrying amounts of right-of-use of assets recognised and the movements during the period are as follows:

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025
Balance at the beginning of the year	1,042.24	332.85
Modication Āin Lease term		
Additions made during the year	-	1,100.13
Deletions during the year	(38.54)	(173.46)
Depreciation charged during the year balance	(127.67)	(217.28)
Balance at the end of the year	**876.03**	**1,042.24**

The carrying amounts of lease liabilities and the movements during the period are as follows:

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025
Balance at the beginning of the period	1,122.69	414.85
Modication Āin Lease term		
Additions made during the year	-	888.39
Deletion during the year	38.54	-
Interest accretion for the year	117.52	84.26
Payments made during the year	184.23	264.81
Balance at the end of the year	**1,017.44**	**1,122.69**

Total lease liabilities are analysed as follows:

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025
Current	66.67	75.39
Non-Current	950.77	1047.30
Total	**1,017.44**	**1,122.69**

The followings are the amounts recognised in profit and loss:

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025
Depreciation expense in respect of right-of-use-of-asset	127.66	217.28
Interest Expense in respect of lease liabilities	117.52	84.26
Total amount recognised in prot and loss Ā	**245.18**	**301.54**

The following are the undiscounted contractual cash flows of lease liabilities. The payment prole Ā has been based on management's forecasts and could be different from expectations:

(Amount in ₹ Lakhs)

Maturity Analysis	2025-2026	2024-2025
Less than 1 year	66.67	75.39
Between 1 and 2 years	85.30	88.50
Between 2 and 5 years	865.47	958.80
Total	**1,017.44**	**1122.69**

Notes to financial statements for the year ended 31 March, 2026

F. Related Party Disclosures

Names of related parties under Ind AS 24 with whom transactions have taken place during the year

Sr. No.	Name	Relationship
1.	Mr. Deepak Amin	Managing Director
2.	Mr. Rakesh Kumar	Chief Executive Officer and Executive Director
3.	Mr. Aviral Saini	Chief Financial Officer and Executive Director
4.	Mr. Chandan Sinha (up to August 14,2024)	Independent Director
4.	Mr. Anuj Kumar(up to December1,2025)	Independent Director
5.	Ms. Daksha Shah	Independent Director
6.	Mr. Aditya Bhandari (up to April 8,2025)	Nominee Director
7.	Ms. Parul Hariharan	Nominee Director
8.	Mr. Arvind Kodikal	Nominee Director
9.	Ms. Lise Lindback (from May 27,2025)	Nominee Director
10.	Mr. Hiten Parikh (from January 30,2026)	Additional Independent Director
11.	Mr. Paresh Vora	Independent Director
12.	Ms. Madhavi Gajjar	Chief Compliance Officer and Company Secretary
13.	Light Capital Private Limited (Incorporated on May 09, 2025)	Subsidiary Company

Transactions with related parties

Related party	Nature of Transactions	Transactions	
		2025-26	2024-25
Mr. Chandan Sinha	Sitting Fees	-	6.00
Mr. Anuj Kumar	Sitting Fees	9.50	12.50
Mrs. Daksha Shah	Sitting Fees	8.50	4.00
Mr. Paresh Vora	Sitting Fees	8.00	-
Mr. Hiten Parikh	Sitting Fees	2.00	-
Mr. Deepak Amin	Salary + Incentive	320.65	253.00
Mr. Rakesh Kumar	Salary + Incentive	254.08	215.03
	Secured Car Loan given		
	ROI - 2% p.a. Tenure - 84 months	36.25	-
	Car Loan repaid	3.64	-
	Interest income received on Car Loan	0.52	-
	Car Loan Outstanding	32.61	-
Mr. Aviral Saini	Salary + Incentive	233.09	186.33
	Secured Car Loan given		
	ROI - 2% p.a.		
	Tenure - 84 months	47.14	-
	Car Loan repaid	5.79	-
	Interest income received on Car Loan	0.83	-
	Car Loan Outstanding	41.35	-
Light Capital Private Limited	Receivable from Light Capital Private Limited	2.01	
Ms. Madhavi Gajjar	Salary + Incentive	28.80	18.88

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Notes to financial statements for the year ended 31 March, 2026

Exposure to Related Parties

Details of exposures to related parties as dened Āin Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025 shall be disclosed as per the following table:

Sr. No.	Particulars	March 31, 2026	March 31, 2025
A.	Loans to Related Partied		
1	Aggregate value of loans sanctioned to related parties during the year	83.40	-
2	Aggregate value of outstanding loans to related parties during the year	73.96	-
3	Aggregate value of outstanding loans to related parties as proportion of total credit exposure	0.08%	-
4	Aggregate value of outstanding loans to related parties which are categorized as:		
	(i) Special Mention Accounts as on 31st March	-	-
	(ii) Non-Performing Assets as on 31st March	-	-
5	Amount of provisions held in respect of loans to related parties	0.53	-
B.	Contracts and Arrangements involving Related Parties		
6	Aggregate value of contracts and arrangements awarded to related parties during the year	-	-
7	Aggregate value of outstanding contracts and arrangements involving related parties	-	-

G. Revenue from Contracts with Customers

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to the statement of prot Āand loss:

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Type of Income		
Others	20.32	11.28
Total revenue from contracts with customers	**20.32**	**11.28**
Geographical markets		
India	20.32	11.28
Outside India	-	-
Total revenue from contracts with customers	**20.32**	**11.28**
Timing of revenue recognition		
Services transferred at a point in time	20.32	11.28
Services transferred over time	-	-
Total revenue from contracts with customers	**20.32**	**11.28**

H. Contingent Liabilities & Capital commitments

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
(A) Contingent Liabilities		
Performance Security provided by the Company pursuant to business Correspondent / service provider agreement	Nil	Nil
Cash collateral given and outstanding for the assigned Loans	Nil	Nil
Claims against the Company not acknowledged as debt:		
- Tax matter in dispute under appeal	Nil	Nil
(B) Capital Commitments		
- Capital work in progress	Nil	Nil

Notes to financial statements for the year ended 31 March, 2026

I. Fair Value Measurement

Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principle(or most advantageous)market at the measurement date under current market conditions(i.e. an exit price),regardless of whether that price is directly/indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived; nancial Ā instruments are classied Ā based on a hierarchy of valuation techniques.

Fair value hierarchy of Asset and Liabilities measured at fair value

Particulars	As at March 31, 2026		
	Level 1	Level 2	Level 3
At fair value through OCI			
Derivative Assets Forward currency swaps	-	2,256.56	-
At fair value through Prot Āand Loss			
Investments			
- Security Receipts	-	-	5,281.20
- Mutual Funds	-	-	-
Total	**-**	**2,256.56**	**5,281.20**

Particulars	As at March 31, 2025		
	Level 1	Level 2	Level 3
At fair value through OCI			
Derivative Liabilities Forward currency swaps	-	200.89	--
At fair value through Prot Āand Loss			
Investments			
-Security Receipts	-	-	7,925.36
-Mutual Funds		-	-
Total	**-**	**200.89**	**7,925.36**

Fair Value hierarchy of Asset and Liabilities not measured at fair value

The management assessed that carrying value of nancial Āasset and nancial Āliabilities are a reasonable approximation of their fair value and hence carrying values are deemed to be fair values.

J. Capital Management

The primary objectives of the Company's capital management policy is to ensure that the Company complies with capital adequacy requirements required by the Reserve Bank of India and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

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.

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Total Debt	1,02,539.72	1,29,435.04
Total equity	31,572.99	40,644.86
Debt to equity ratio	3.25	3.18

The Liquidity Coverage Ratio (LCR) is not applicable to the Company as the asset size of the Company is less than Rs. 5,000 Crores as per Reserve Bank of India guidelines.

Notes to financial statements for the year ended 31 March, 2026

K. Retirement benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benet Āas under

(i) Dened ĀContribution Plans

Provident and other funds

The Company makes contributions, determined as a specied Āpercentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are dened Ā contribution plans. The Company has no obligations other than this to make the specied Ācontributions. The contributions are charged to the Statement of Prot Ā and Loss as they accrued.

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Employers' contribution to provident and other fund	1,231.78	1,326.76

(ii) Dened ĀBenet ĀPlan

Grauitity

The Company has a dened Ābenet Āgratuity plan. Every employee is entitled togratuity as per the provisions of the Payment of Gratuity Act, 1972. The schemeis funded and managed by Life Insurance Companies. Theliability of Gratuity is recognized on the basis of actuarial valuation.

The following tables summarize the components of net benet Āexpenserecognised in the statement of prot Āand loss and the amounts recognised inthe Balance Sheet for the gratuity plan.

Movement in Dened ĀBenet ĀObligations

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Dened Ābenet Āobligations as at the beginning of Year	289.78	208.69
Current Service Cost	45.36	31.02
Interest on dened Ābenet Āobligations	18.95	14.84
Re-measurements - Actuarial (Gain)/Loss on total Liabilities	82.27	64.08
Benets Āpaid	(34.61)	(28.85)
Dened Ābenet Āobligations as at the end of Year	**401.75**	**289.78**

Amount recognised in balance sheet

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Present Value of Benet ĀObligation at the end of the Period	(401.75)	(289.78)
Fair value of plan assets at the end of the period	20.09	26.40
Funded Status (Surplus/ (Decit)) Ā	(381.67)	(263.38)
Net dened Ābenet Āliability recognised in balance sheet	**(381.67)**	**(263.38)**

Expense charged to the statement of prot Āand loss

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Current service cost	45.36	31.02
Net Interest Cost	17.22	10.94
Expenses Recognized	62.58	41.96

Notes to financial statements for the year ended 31 March, 2026

Re-measurement (gain)/loss in other comprehensive income

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Actuarial (Gains)/Losses on Obligation For the Year	82.27	64.08
Return on Plan Assets, Excluding Interest Income	0.05	3.43
Change in Asset Ceiling	Nil	Nil
Net (Income)/Expense For the Year Recognized in OCI	**82.32**	**67.51**

Summary of Actuarial Assumptions

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Discount rate	5.72%	6.54%
Rate of Increase in compensation levels	7.00%	7.00%
Retirement age (years)	60 years	60 years

A quantitative sensitivity analysis for signicant Āassumptions as at the balance sheet date are as shown below:

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Dened ĀBenet ĀObligation on Current Assumptions	401.75	289.78
Delta Effect of +1% Change in Rate of Discounting	(5.06)	(3.96)
Delta Effect of -1% Change in Rate of Discounting	5.27	4.14
Delta Effect of +1% Change in Rate of Salary Increase	4.82	3.67
Delta Effect of -1% Change in Rate of Salary Increase	(4.71)	(3.58)
Delta Effect of +1% Change in Rate of Employee Turnover	(3.51)	(3.08)
Delta Effect of -1% Change in Rate of Employee Turnover	3.60	3.18

Maturity Prole Āof Dened ĀBenet ĀObligation

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
1st Following Year	167.52	105.23
2nd Following Year	97.68	81.41
3rd Following Year	66.24	48.80
4th Following Year	46.25	34.21
5th Following Year	26.98	23.80
Sum of years 6 to 10	29.31	25.86
After 11 years and above	1.29	1.14

Discount rate: The discount rate is based on government bond yields as at the balancesheet date for the estimated term of the obligations.

Salary escalation rate: The estimate of future salary increases considered taking into account the ination, Ā seniority, promotion and other relevant factors.

Notes to financial statements for the year ended 31 March, 2026

L. Micro, Small and Medium Enterprises

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act,2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act")are given below.

(Amount in ₹ Lakhs)

	Particulars	2025-26	2024-25
(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year;	78.27	93.78
(b)	The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	NIL	NIL
(c)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specied Āunder the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

M. Risk Management & nancial Āobjectives.

Risk is an integral part of the Company's business and sound risk management is critical to its success. The Company's activities are exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company continuously identies Ā potential risks in advance, analyzes them and takes precautionary steps to reduce/curb the risk. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis. Major risks identied Ā by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company assumes following risks (i.e. Credit risk, Liquidty risk, Market risk and Operation risk) in the normal course of business.

☞ **Credit Risk**

Credit risk is the risk of nancial Āloss to the Company if a customer or counterparty to a nancial Āinstrument fails to meet its contractual obligations, and arises principally from the Company's asset on finance. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk.

The Company also follows a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; socio-economic and law and order risks in the proposed area. Further, client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to conrm Āthat they meet the company's criteria.

The Company is a rural focused NBFC with a geographically diversied Ā presence in India and offers income generation loans under the joint liability group model, predominantly to women from low-income households in rural areas. Further, as it focuses on providing micro-loans in rural areas, The Company's results of operations are affected by the performance and the future growth potential of microfinance in rural India. The Company's clients

Notes to financial statements for the year ended 31 March, 2026

typically have limited sources of income, savings and credit histories and the loans are typically provided free of collateral. Such clients generally do not have a high level of nancial Ā resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, the Company rely on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of loans.

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

(Amount in ₹ Lakhs)

Particulars	31 March 2026	31 March 2025
Loans	96,779.99	1,23,108.83
Trade receivable	-	-
Other Financial Assets	4,819.15	5,427.05

☞ **Liquidity Risk**

Liquidity risk is dened Āas the risk of incurring losses resulting from the inability to meet payment obligations in a timely manner when they become due. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is managing liquidity to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions in a timely manner, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company consistently forcaste cash flows and accordingly generates sufficient cash flows to meet its nancial Ā obligations as and when they fall due. The Company has obtained funding lines from multiple sources, including from borrowings, debt securities, subordinated liabilities to maintain a healthy mix of sources. The Company also manages liquidity by raising funds through Securitisation / assignment transactions.

The maturity schedule for all nancial Āliabilities is regularly reviewed and monitored. Company has an Asset Liability Management (ALM) policy and has constituted an ALM Committee to review and monitor the liquidity risk and ensure the compliance with the prescribed regulatory requirement.

Maturity pattern of Liabilities as on March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Total
Borrowing*	7,079.26	5,849.72	12,788.15	13,527.49	18,697.94	43,791.73	805.44	1,02,539.72

Maturity pattern of Liabilities as on March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Total
Borrowing*	7,752.18	7,080.83	7,080.83	20,613.26	31,113.45	47,112.01	8,682.47	1,29,435.04

* Borrowing includes debt securities and subordinated liabilities

- **Market Risk**

Market risk is the risk that the fair value or future cash flows of a nancial Āinstrument will fluctuate because of changes in market factor. Such changes in the values of nancial Āinstruments may result from changes in the interest rates, credit, liquidity and other market changes.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return. The Company is exposed to follwing types of market risks:

- **Interest rate risk**

Interest rate risk is the risk that the future cash flows of a nancialinstrument Āwill fluctuate because of changes in market interest rates.We are subject to interest rate risk, principally because we lend to clientsat fixed interest rates and for periods that may differ from our fundingsources, while our borrowings are at both fixed and variable interestrates for different periods. We assess and manage our interest rate riskby managing our assets and liabilities. The Company's ALM Committee evaluatesthe maturities of assets and liabilities and ensures that all significantmismatches, if any, are being managed appropriately.The Companyadopts funding strategies to ensure diversied Āresource-raising optionsto minimize cost and maximize stability of funds.

Notes to financial statements for the year ended 31 March, 2026

- **Price risk**

  The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignicant Āprice risk, not being equity funds/ risk bearing instruments.

- **Foreign Currency risk**

  The Company is exposed to foreign currency fluctuation risk for its external commercial borrowings (ECB). The ECB are governed by RBI guidelines. The Company hedges its entire ECB exposure for the full tenure of the ECB.

  The Company manages its currency risks by entering into derivative contracts as hedge positions. The Company's exposure of foreign currency risk at the end of the reporting period expressed as follows:

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Hedged		
Liability-External Commercial Borrowings	1,65,00,000 USD 30,00,000 EURO	1,25,00,000 USD 30,00,000 EURO
Assets-Cross Currency Interest rate Swap Contract	1,65,00,000 USD 30,00,000 EURO	1,25,00,000 USD 30,00,000 EURO

☞ **Operational Risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The company recognises that operational risk event types that have the potential to result in substantial losses includes Internal fraud, external fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and nally Āexecution, delivery and process management.

The company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

N. Transfer of Financial Assets

In the ordinary course of business, the Company enters into transactions that result in the transfer of nancial Āassets. In accordance with the accounting policy, the transferred nancial Āassets continue to be recognised or derecognised as per the conditions specied Āin Ind AS 109 " Financial Instruments".

Securitisation Transaction:

During the period, the Company has entered into securitisation arrangement. Under such arrangement, the Company retains substantial risks and rewards of such loan transferred and accordingly, does not derecognise the loans transferred in its entirety and recognises an associated liability for the consideration received.

The value of nancial Āassets and liabilities as on:

(Amount in ₹ Lakhs)

Particulars	31 March 2026	31 March 2025
Carrying amount of transferred assets measured at amortised cost	-	-
Carrying amount of associated liabilities	-	-

Notes to financial statements for the year ended 31 March, 2026

O. Expenditure on Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is applicable to the Company and necessary expenses has been made as mentioned below:

(Amount in ₹ Lakhs)

Particulars	31 March 2026	31 March 2025
a) Gross amount required to be spent by the Company during the year	80.16	79.52
b) Amount of Expenditure incurred		
(I) Construction/acquisition of any asset		
(ii) On purpose other than (i) above	80.16	79.52
c) Shortfall at the end of the year (a-b)	Nil	Nil
Total of previous years short fall	Nil	Nil
Reason for shortfall of CSR expenditure		
Nature of CSR activities	1. Child Education 2. Health Checkup Camp 3. Women Empowerment	1. Child Education 2. Health Checkup Camp 3. Women Empowerment
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard.	Nil	Nil
Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

Notes to financial statements for the year ended 31 March, 2026

P. Maturity analysis of assets and liabilities

Maturity analysis of assets and liabilities as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	13,688.04	-	13,688.04
Bank balances other than cash and cash equivalents	10,589.79	196.11	10,785.90
Derivative Financial Instruments	914.15	1,342.41	2,256.56
Loan portfolio	54,537.38	42,242.61	96,779.99
Investments		5,282.20	5,282.20
Other nancial Āassets	4,735.96	83.19	4,819.15
Total nancial Āassets	**84,465.32**	**49,146.52**	**1,33,611.84**
Non-nancial Āassets			
Current tax assets (net)	-	491.05	491.05
Deferred tax assets (net)	-	4,176.90	4,176.90
Property, plant and equipment	-	733.28	733.28
Right of Use	122.24	753.79	876.03
Other Intangible assets	-	943.49	943.49
Other non-nancial Āassets	-	1,945.58	1,945.58
Total non-nancial Āassets	**122.24**	**9,044.09**	**9,166.33**
Total assets	**84,587.56**	**58,190.61**	**1,42,778.17**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables			
(I) Total outstanding dues of Micro Enterprises and Small Enterprises	78.27	-	78.27
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	139.56	-	139.56
Debt securities*	4,565.76	14,095.59	18,661.34
Borrowings (other than debt securities) *	48,464.04	24,531.09	72,995.13
Subordinated liabilities*	4,912.76	5,970.48	10,883.25
Other nancial Āliabilities		5,574.78	5,574.78
Lease liabilities	66.67	950.77	1,017.44
Total nancial Āliabilities	**58,227.05**	**51,122.71**	**1,09,349.77**
Non-nancial Āliabilities			
Current tax liabilities (net)	-	-	-
Provisions	1,096.23		1,096.23
Other non-nancial Āliabilities	759.19		759.19
Total non-nancial Āliabilities	**1,855.42**	**-**	**1,855.42**
EQUITY			
Equity share capital	-	10,779.68	10,779.68
Other equity	-	20,793.32	20,793.32
Total equity	**-**	**31,572.99**	**31,572.99**
Total liabilities and equity	60,082.47	82,695.70	1,42,778.17

*All borrowings are disclosed based on the contractual maturities.

Notes to financial statements for the year ended 31 March, 2026

A. Maturity analysis of assets and liabilities as at March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	29,802.84	-	29,802.84
Bank balances other than cash and cash equivalents	6,365.62	1,392.50	7,758.12
Derivative Financial Instruments	-	200.89	200.89
Trade Receivables	-	-	-
Loan portfolio	82,153.00	40,955.83	1,23,108.83
Investments	-	7,925.36	7,925.36
Other nancial Āassets	5,348.55	78.51	5,427.05
Total nancial Āassets	**1,23,670.01**	**50,553.08**	**1,74,223.08**
Non-nancial Āassets			
Current tax assets (net)	-	299.57	299.57
Deferred tax assets (net)	-	1,020.75	1,020.75
Property, plant and equipment	-	1,103.32	1,103.32
Capital work in progress	-	-	-
Right of Use	144.18	898.05	1,042.24
Intangible assets under development	28.45	-	28.45
Other Intangible assets	-	1,209.83	1,209.83
Other non-nancial Āassets	-	431.92	431.92
Total non-nancial Āassets	**172.63**	**4963.44**	**5136.07**
Total assets	**1,23,842.63**	**55516.52**	**179359.15**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative Financial Instruments	-	-	-
Payables			
Trade payables			
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	93.78	-	93.78
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	131.16	-	131.16
Debt securities*	8,511.89	7,321.45	15,833.34
Borrowings (other than debt securities)*	65,128.67	37,628.28	1,02,756.95
Subordinated liabilities*	-	10,844.74	10,844.74
Other nancial Āliabilities	-	5,609.30	5,609.30
Lease liabilities	75.39	1,047.30	1,122.69
Total nancial Āliabilities	**73,940.89**	**62,451.06**	**1,36,391.97**
Non-nancial Āliabilities			
Current tax liabilities (net)	-	-	-
Provisions	1,134.28	-	1,134.28
Other non-nancial Āliabilities	1,188.05	-	1,188.05
Total non-nancial Āliabilities	**2,322.33**	**-**	**2,322.33**
EQUITY			
Equity share capital	-	10,779.68	10,779.68
Other equity	-	29,865.18	29,865.18
Total equity	**-**	**40,644.86**	**40,644.86**
Total liabilities and equity	**76,263.22**	**1,03,095.92**	**1,79,359.15**

Notes to financial statements for the year ended 31 March, 2026

Q. Changes in liability arising from nancing Āactivities (Ind AS 7 'Statement of Cash Flows')

For the year ended March 31, 2026

(Amount in ₹ Lakhs)

Name of Instrument	Opening	Cash flows	Others	Closing
Debt Securities	15,833.34	2,844.40	(16.40)	18,661.34
Borrowings (other than debt securities)	1,02,756.95	(29,680.85)	(80.97)	72,995.13
Sub-debt	10,844.74	-	38.51	10,883.25
Total	**1,29,435.03**	**(26,836.45)**	**(58.86)**	**1,02,539.72**

For the year ended March 31, 2025

(Amount in ₹ Lakhs)

Name of Instrument	Opening	Cash flows	Others	Closing
Debt Securities	20,776.03	(4,928.57)	(14.12)	15,833.34
Borrowings (other than debt securities)	1,40,609.76	(37,378.55)	(114.25)	1,02,756.95
Sub-debt	10,803.92	-	40.82	10,844.74
Total	**1,72,189.71**	**(42,667.12)**	**(87.55)**	**1,29,435.04**

R. Share based payment

Pursuant to a resolution passed by the members holding Equity shares vide Extra ordinary General Meeting held on June 23, 2018, the Company has approved "LMF Employee Stock Option Plan 2018". The Company has made amendment in the ESOP scheme 2018 vide board meeting dated May 20, 2021, and further amended and approved by the shareholders vide an ordinary resolution dated January 17,2024. The Plan covers 61,27,511 options. The plan allows the issue of options to employees of the company which are convertible to one equity share of the company.

During the year ended March 31, 2026, the following stock option grants were in operation:

(Amount in ₹ Lakhs)

	Particulars	Details				
1	Date of Grant	23/06/2018	15/06/2021	17/01/2024	23/06/2025	22/07/2025
2	No. of options granted	9,84,400	5,02,000	28,13,380	9,74,000	4,00,000
3	No of employees to whom such options were granted	4	35	41	43	2
4	Method of Settlement	Equity/Cash				
5	Graded Vesting period:					
	at the end of year 1	20%	20%	20%	20%	20%
	at the end of year 2	20%	20%	20%	20%	20%
	at the end of year 3	20%	20%	20%	20%	20%
	at the end of year 4	20%	20%	20%	20%	20%
	at the end of year 5	20%	20%	20%	20%	20%
	Subject to any other terms as stipulated in the LMF Employee Stock Option Plan 2018	Performance based vesting				
6	**Exercise Period**					
	The Vested Options with an Option Grantee may be exercised only upon or in connection with happening of a Liquidity Event as per the LMF Employee Stock Option Plan 2018					
7	**Vesting conditions**					
	Options granted under ESOP 2018 shall vest within the minimum period of one (1) year and maximum period of five (5) years from the date of Grant of such Options subject to continued employment with the Company and such other conditions specied Āunder LMF Employee Stock Option Plan 2018.					
8	**Average remaining contractual life (Years)**	**-**	**0.25**	**2.75**	**4.25**	**4.25**
9	**Average exercise price per option () Ā**	**10.63**	**37.70**	**66.00**	**74.90**	**74.90**

Notes to financial statements for the year ended 31 March, 2026

Particulars	Year ended on March 31, 2026	Year ended on March 31, 2025
Employee Stock Option Plan 2018		
Employee Stock Option outstanding at beginning of the year	39,94,780	42,16,380
Granted during the year	13,74,000	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	2,10,800	2,21,600
Outstanding during the year	51,57,980	39,94,780
Exercisable at the end of the year	-	-

Fair Valuation

The fair value of the options used to compute proforma net prot Āand earnings per share have been done by the independent valuer on the date of grant using Black-Scholes Merton formula. The key assumptions and the Fair value are as :

Name of Instrument	ESOP – I	ESOP – II	ESOP – III	ESOP – IV
Risk Free Interest Rate(%)	8.25%	5.43% to 5.91%	3.52% to 5.35%	6.76%
Option Life (years)	5 years	5 years	5 years	5 years
Historical Volatility	50.00%	50.00%	50.00%	18.16%
Expected Volatility	-	-	-	-
Expected Dividend yield (%)	0.00%	0.00%	0.00%	0.00%

S. Additional Regulatory Information

i. The Company does not hold any immovable property as on March 31, 2026and March 31, 2025. All the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.

ii. No proceedings have been initiated or pending against the Company for holding any benami property under the Prohibitions of Benami Transactions Act, 1988 (45 of 1988) (as amended) and the rules made thereunder, as at March 31, 2026 and March 31, 2025.

iii. The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2026 and March 31, 2025.

iv. The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2026 and March 31, 2025.

v. There was no delay in the registration or satisfaction of any charges with Registrar of Companies during the year ended March 31, 2026 and March 31, 2025.

vi. 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.

vii. There was no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended March 31, 2026 and March 31, 2025.

viii. The Company has borrowings from banks and financial institutions on the basis of security of nancial Āassets and the quarterly returns filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.

ix. The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at March 31, 2026 are held by the Company in the form of deposits and invested in short term fund till the time the utilisation is made subsequently.

x. There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2026 and March 31, 2025., in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2026 and March 31, 2025.

Notes to financial statements for the year ended 31 March, 2026

xi. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2026 and March 31, 2025.

xii. Except for transactions conducted in the ordinary course of the Company's 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 identied Āin any manner whatsoever by or on behalf of the company (Ultimate Beneciaries) Āor

(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 (FundingParty) with the understanding (whether recorded in writing or otherwise) that the company shall –

(a) directly or indirectly lend or invest in other persons or entities identied Āin any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneciaries) Āor

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Additional Disclosures required by the Reserve Bank of India

(Figures in the below disclosures are as per Ind AS nancial Āstatements except otherwise stated)

T. Capital to Risk Assets Ratio ('CRAR')

(Amount in ₹ Lakhs)

Particulars		31 March 2026	31 March 2025
i)	CRAR	26.92%	33.34%
ii)	CRAR – Tier I Capital	21.70%	26.47%
iii)	CRAR – Tier II Capital	5.22%	6.88%
iv)	Amount of Subordinated debt raised as capital Tier-II capital	5,000	8,000
v)	Amount raised by issuing perpetual debt instrument	Nil	Nil

U. Investments

(Amount in ₹ Lakhs)

Sr. No.	Particulars	31 March 2026	31 March 2025
(1)	**Value of Investments**		
	(I) Gross Value of Investments		
	(a) In India	7,480.56	7,925.36
	(b) Outside India	Nil	Nil
	(ii) Provisions		
	(a) In India	2,198.36	Nil
	(b) Outside India	Nil	Nil
	(iii) Net Value of Investments		
	(a) In India	5,282.20	7,925.36
	(b) Outside India	Nil	Nil
(2)	**Movement of provisions held on investments**		
	(I) Opening balance	Nil	Nil
	(ii) Add: Provisions made during the year	2,198.36	Nil
	(iii) Less Write-off/ writeback of excess	Nil	Nil
	(iv) Closing Balance	2,198.36	Nil

Notes to financial statements for the year ended 31 March, 2026

V. Derivatives:

The Company's activities expose it to the nancial Ā risk of changes in foreign exchange rates. The Company uses derivative contracts such as currency swap to hedge its exposure to movements in foreign exchange. The use of these derivative contracts reduces the risk to the Company, and the Company does not use those for trading or speculation purposes. The company uses hedging instruments. All derivative transactions that are entered into by the company are reported to the board, and the mark-to-mark on its portfolio is monitored regularly by the senior management.

Derivative nancial Ā instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date. Derivatives are classied Āas assets when the fair value is positive(positive market to market value) or as liabilities when the fair value is negative(negative market to market value). Derivative assets and liabilities are recognised on the balance sheet at fair value. Currency swaps held for the purpose of hedging foreign currency denominated external commercial borrowings are accounted as cash flow hedge. Fair value of derivative is ascertained by mark to market value received from the counter -Party Bank. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised , no longer qualies Āfor hedge accounting.

Quantitative Disclosure:

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31, 2026	March 31, 2025
i)	Derivatives (Notional Principal Amount)	16,530.15	12,943.75
ii)	Market to Market positions	2,256.56	200.89
	(a) Assets (+)	2,256.56	200.89
	(b) Liabilities (-)	Nil	Nil
iii)	Credit Exposure	Nil	Nil
iv)	Unhedged Exposures	Nil	Nil

W. Disclosures relating to securitisation

During the year the Company has not sold loans through securitisation. The information on securitisation activity is as below :

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Total number of loans securitised during the year	Nil	Nil
Total book value of loans securitised during the year	Nil	Nil
Sale consideration received for loans securitised	Nil	Nil
Credit enhancements provided and outstanding (Gross) as at balance sheet date	Nil	Nil
Interest subordination	Nil	Nil
Principal subordination	Nil	Nil
Cash Collateral	Nil	Nil

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31, 2026	March 31, 2025
1	No. of SPVs sponsored by the NBFC for securitisation transactions	Nil	Nil
2	Total amount of securitised assets as per the books of the SPVs sponsored by the NBFC as on date of balance sheet:	Nil	Nil
3	Total amount of exposures retained to comply with minimum retention requirement ('MRR') as on date of balance sheet:	Nil	
	a) Off balance sheet exposures		
	- First loss	Nil	Nil
	-Others	Nil	Nil
	b) On balance sheet exposures (cash collateral and over collateral)		
	- First loss	Nil	Nil
	- Others	Nil	Nil

Notes to financial statements for the year ended 31 March, 2026

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31, 2026	March 31, 2025
4	Amount of exposures to other than MRR:		
	a) Off balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	ii) Exposure to third party securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	b) On balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	ii) Exposure to third party securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil

X. Details of assignment transaction undertaken

The Company has assigned loans by way of direct assignment. As per terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90%& 85% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet.

Since the Company transferred the above nancial Āasset in a transfer that qualied Āfor derecognition in its entirely, the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as 'Spread receivable on assignment portfolio' with a corresponding prot Āon derecognition of nancial Āasset.

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
No. of loans	1,31,273	1,50,572
Aggregate value of loans assigned	45,566.39	63,703.86
Aggregate consideration received	40,703.53	57,333.48
Income recognized in the statement of prot Āand loss	4,622.27	6,215.75
Cash collateral	Nil	Nil

Y. Details of nancial Āassets sold to Securitisation / Reconstruction Company for asset reconstruction

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Total number of loans	Nil	44,716
Aggregate principal outstanding of loans transferred (Rs. In lakhs)	Nil	15,509.64
Weighted average residual maturity (in months)	Nil	5.90
Net book value of loans transferred (at the time of transfer) (Rs. In lakhs)	Nil	2,520.00
Aggregate Consideration(Rs. In lakhs)	Ni	8,000.00
Additional consideration realized in respect of accounts transferred in earlier years (Rs. in Lakhs)	Nil	Nil

Notes to financial statements for the year ended 31 March, 2026

Z. Asset Liability Maturity pattern of certain items of Assets and Liabilities (as compiled by management and relied upon by the auditor)

Maturity pattern of assets and liabilities as on March 31, 2026**

(Amount in ₹ Lakhs)

Particulars	1 to 7 Days	8 to 14 Days	15 to 30/31 Days	Over 1 Months upto 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year and upto 3 Years	Over 3 Year and upto 5 Years	Over 5 Years	Total
Advances	1,331.71	1,521.28	3,042.56	5,737.84	5,481.05	14,493.34	22,929.61	41,443.44	277.69	521.47	96,779.99
Investment	-	-	-	-	-	-	-	5,281.20	-	1.00	5,282.20
Borrowings*	1,815.07	910.62	4,353.57	5,849.72	12,788.15	13,527.49	18,697.94	43,791.73	805.43	-	1,02,539.72

Maturity pattern of assets and liabilities as on March 31, 2025**

(Amount in ₹ Lakhs)

Particulars	1 to 7 Days	8 to 14 Days	15 to 30/31 Days	Over 1 Months upto 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year and upto 3 Years	Over 3 Year and upto 5 Years	Over 5 Years	Total
Advances	1,653.55	1,889.80	3,777.31	7,553.99	7,553.99	21,692.13	38,032.25	40,289.66	666.16	-	1,23,108.84
Investment	-	-	-	-	-	-	-	7,925.36	-	-	7,925.36
Borrowings*	1,461.25	1,994.65	4,296.28	7,080.83	7,080.83	20,613.26	31,113.45	47,112.01	8,682.47	-	1,29,435.03

*Borrowings include foreign currency borrowings in the form of ECB which have been fully hedged.
**The amount mentioned above represent only principle outstanding on advance and borrowings.

AA. Exposures

The Company has no exposure to the real estate sector and capital market directly or indirectly in the current or previous year.

BB. Details of nancing Āof parent company products

This disclosure is not applicable as the Company does not have any holding / parent company.

CC. Intra-group exposures

The company has not given advances to Group companies as on March 31,2026and as on March 31, 2025.

DD. Unhedged foreign currency exposure

The Company has no unhedged foreign currency exposure as on on March 31,2026and also as on March 31, 2025.

EE. Divergence in Asset classification and provisioning

During the current as well as previous nancial Āyear, the RBI Supervisory Department conducted inspection of the Company and identied Ācertain divergences in asset classication Āand provisioning. There was no instance where the additional provisioning requirement assessed by the Reserve Bank of India (RBI) exceeded five percent of the reported prot Ābefore tax and impairment loss on nancial Āinstruments, nor any instance where additional gross NPAs identied Ā by RBI exceeded five percent of the reported gross NPAs for the previous nancial Āyear.

FF. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the Single Borrower Limit (SGL) i.e. 15% of its Owned fund / Group Borrower Limit (GBL) i.e. 25% of its own fund, during the current or previous year.

GG. Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil in the current and previous year.

HH. Registration obtained from other nancial Āsector regulators

The Company is registered with the Ministry of Finance (Financial Intelligence Unit).

II. Disclosure of penalties imposed by RBI and other regulators

No penalties were imposed by RBI or any other regulator during the current or the previous year.

Notes to financial statements for the year ended 31 March, 2026

JJ. Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2026

Deposit Instrument	Name of the rating agency	Date of rating assigned/reviewed	Amount (Rupees in lakhs)	Rating Assigned
NCD	CRISIL	31st March 2026	32,454.00	CRISIL BBB+
Term Loan Bank Facilities	CRISIL	31st March 2026	42,500.00	CRISIL BBB+
Term Loan Bank Facilities	CARE	7thOctober 2025	1,15,000.00	CARE BBB+
MFI Grading	SMERA Grading	30thJune 2025	-	SMERA M1 (Highest Capacity of the MFI to manage its operations in a sustainable manner)
COCA	SMERA Grading	28thJanuary 2026	-	SMERA C1 (Excellent performance on Code of Conduct dimensions)

Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2025

Deposit Instrument	Name of the rating agency	Date of rating assigned/reviewed	Amount (Rupees in lakhs)	Rating Assigned
NCD	CRISIL	21st January 2025	22,200.00	Crisil BBB+/Stable
Term Loan Bank Facilities	CRISIL	21st January 2025	42,500.00	Crisil BBB+/Stable
Term Loan Bank Facilities	CARE	8th October 2024	1,15,000.00	CARE BBB+; Negative
NCD	Brickworks	25th September 2024	4,000.00	Withdrawn
NCD	CARE	8th October 2024	5,000.00	CARE BBB+; Negative
MFI Grading	SMERA Grading	24th June 2024	-	SMERA M1 (Highest Capacity of the MFI to manage its operations in a sustainable manner)
COCA	SMERA Grading	24th December 2024	-	SMERA C1 (Excellent performance on Code of Conduct dimensions)

KK. Remuneration of Directors

The Company has not entered into any transactions or in a pecuniary relationship with the non-executive directors other those as disclosed in note Fabove.

LL. Postponement of Revenue Recognition

There is no signicant Āuncertainty which requires postponement of revenue recognition.

MM. Provisions and Contingencies

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Provision made towards Income Tax	-	133.11
Provision towards NPA	2,937.21	1,990.55
Provision for standard assets	2,862.31	2,317.70
Provision for fraud	72.91	65.40
Provision for gratuity	381.67	263.38
Provision for compensated absence	474.29	376.56

NN. Draw down from Reserves

There has been no draw down from Reserves including security premium during the year ended March 31, 2026 (previous year: Nil) other than those disclosed under Note 20.

OO. Concentration of Deposits

The Company has not accepted any deposits during the year ended March 31, 2026 (previous year: Nil).

Notes to financial statements for the year ended 31 March, 2026

PP. Concentration of Advances, Exposures and NPAs

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Concentration of Advances		
Total Advances to twenty largest borrowers	**307.77**	**49.94**
(%) of Advances to twenty largest borrowers to Total Advances	0.21%	0.04%
Concentration of Exposures		
Total Advances to twenty largest borrowers	**307.77**	**49.94**
(%) of Advances to twenty largest borrowers to Total Exposure	0.21%	0.04%
Concentration of NPAs		
Total Exposure to top four NPA accounts	**16.53**	**3.89**

QQ. Sector-wise NPAs

(Amount in ₹ Lakhs)

Sr. No.	Sector	(%) of NPAs to total advances in that sector as at March 31, 2026	(%) of NPAs to total advances in that sector as at March 31, 2025
1	Agriculture & allied activities	Nil	Nil
2	MSME	1.56%	0.05%
3	Corporate Borrowers	Nil	Nil
4	Services	Nil	Nil
5	Unsecured personal loans	Nil	Nil
6	Auto Loans	Nil	Nil
7	Other personal loans*	2.18%	2.18%

Other personal loans include microfinance loans whereas MSME includes non-microfinance loans

RR. Movement of NPAs

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31, 2026	March 31, 2025
1	Net NPAs to Net Advances(%)	0.86%	0.53%
2	Movementof NPAs (Gross)		
	(I) Opening balance	2,659.38	2,939.51
	(ii) Additions during the year	9,534.16	10,879.21
	(iii) Reductions during the year	271.06	1,070.13
	(iv) Write-off	7,403.72*	10,089.21
	(v) Closing balance	4,518.78	2,659.38
3	Movement of Net NPAs		
	(I) Opening balance	668.83	738.98
	(ii) Additions during the year	1,577.04	4,321.12
	(iii) Reductions during the year	664.19	4,391.27
	(iv) Closing balance	1,581.68	668.83
4	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(I) Opening balance	1,990.55	2,200.53
	(ii) Provisions made during the year	2,930.46	6,558.09
	(iii) Write-off / write-back of excess provisions	(1,983.92)	(6,768.07)
	(iv) Closing balance	2,937.1	1,990.55

'*Including Technical Written off of Rs.734.40 lakhs.

SS. Overseas Assets and Off-Balance Sheet SPVs sponsored

The Company does not own any assets outside the country and any off-balance Sheet SPVs sponsored.

Notes to financial statements for the year ended 31 March, 2026

TT. Disclosure of Complaints

(Amount in ₹ Lakhs)

	Particulars	2025-26	2024-25
	Complaints received by the NBFC from its customers		
1	No. of complaints pending at the beginning of the year	Nil	Nil
2	No. of complaints received during the year	77	112
3	Number of complaints disposed during the year	77	112
	3.1 Of which, number of complaints rejected by the NBFC	Nil	Nil
4	Number of complaints pending at the end of the year	Nil	Nil
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	4	15
	5.1. Of 5, number of complaints resolved in Favour of the NBFC by Office of Ombudsman	4	15
	5.2 Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	Nil	Nil
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

Top five grounds of complaints received by the NBFC from Customers - 2025-26

Grounds of Complaints, (i.e. complaints relating to)	Number of Complaints pending at the beginning of the year	Number of Complaints received during the year	% of increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Staff Behaviour	-	31	29% Increase	-	-
EMI Paid still showing as due	-	14	64% Decrease	-	-
Staff Fraud	-	12	200% Increase	-	-
Insurance Related	-	8	167% Increase	-	-
Loan closed but shown active in system	-	4	75% Decrease -	-	

2024-25

Grounds of Complaints, (i.e. complaints relating to)	Number of Complaints pending at the beginning of the year	Number of Complaints received during the year	% of increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
EMI Paid still showing as due	-	39	13% Decrease	-	-
Credit Bureau Issue	-	24	27% Decrease	-	-
Staff Behaviour	-	24	60% Decrease	-	-
Loan closed but shown active in system	-	16	38% Decrease	-	-
Loan amount not received - NEFT related	-	3	There is no Increase/decrease	-	-

Notes to financial statements for the year ended 31 March, 2026

UU. Disclosure of Frauds recorded during the year to RBI vide DNBS PD.CC NO. 256/03.10.042/2011-12 dated March 02, 2012

(Amount in ₹ Lakhs)

Nature of fraud (cash embezzlement) *	2025-26	2024-25
Number of cases	674	207
Amount of fraud	89.87	63.89
Recovery	82.36	18.75
Amount written off / Provision made	7.51	45.14

*** Including Robbery/theft incidents.**

VV. Convenant Complaince

The microfinance industry has been undergoing a phase of transition in the current nancial Āyear, shaped by various evolving factors such as adjustments to the Joint Liability Group (JLG) model, shifts in borrower discipline, climate-related changes, and increasing borrower . nancial responsibilities. While these developments have presented operational challenges, including disruptions in centre meetings, they also offer opportunities for adaptation and resilience. During the year ended March 31, 2026 certain covenants have been breached. The company remains committed to strengthening recovery efforts at the ground level, fostering sustainable borrower engagement, and implementing proactive strategies to navigate these changes. With a focus on innovation and collaboration, we are confident in achieving improved outcomes and reinforcing our mission of financial empowerment.

The Company has maintained ongoing communication with its lenders, ensuring that no immediate repayment of borrowed funds will be demanded due to covenant breaches. None of the lenders has indicated any actions, financial charges or liabilities arising from covenant breaches. Accordingly, no adjustment(s) are required in these financial results.

Furthermore, the Company has applied for waiver applications to its lenders and is currently in the process of securing those waivers that have not yet been obtained.

WW. The Company is required to maintain minimum qualifying criteria of 60% of its total assets (netted off by intangible assets) towards "microfinance loans" as defined under paragraph 51 of the Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 updated as on April 1, 2026 as per paragraph 12 of the Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025. As at March 31, 2026, the Company's' qualifying assets (i.e. microfinance loans to total assets) is 52.03%, in respect of which the Company has intimated the same to Reserve Bank of India vide its letter dated 23thApril, 2026.

Notes to financial statements for the year ended 31 March, 2026

XX. Comparison of Provision required under IRACP norms and impairment allowances made under Ind AS 109:

For the year ended March 31, 2026:

(Amount in ₹ Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	97,423.57	1,025.98	96,397.59	2,528.28	3,271.24
	Stage 2	831.56	364.33	467.23		
Subtotal (A)		**98,255.13**	**1,390.32**	**96,864.82**		
Non-Performing Assets (NPA)						
Sub-standard	Stage 3 **	4,516.07	2,935.45	1,580.62		
Doubtful						
Upto 1 year	Stage 3	2.62	1.71	0.92		
1 to 3 years	-					
More than 3 years	-					
Loss assets	Stage 3	0.09	0.06	0.03		
Subtotal (B)		**4,518.78**	**2,937.22**	**1,581.57**		
Total	**Stage 1**	**97,423.57**	**1,025.98**	**96,397.59**	**2,528.28**	**3,271.24**
	Stage 2	**831.56**	**364.33**	**467.23**		
	Stage 3	**4,518.78**	**2,937.22**	**1,581.57**		
	Technical W/o	**734.40**	**734.40**	**-**		
	Management Overlay, FLDG	**-**	**737.59**	**(737.59)**		
Total		**1,03,508.31**	**5,799.52**	**97,708.8**	**2,528.28**	**3,271.24**

For the year ended March 31, 2025:

(Amount in ₹ Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	125,069.06	1,375.60	123,693.46		
	Stage 2	1,538.85	942.10	596.75		
Subtotal (A)		**126,607.91**	**2,317.70**	**1,24,290.21**		
Non-Performing Assets (NPA)						
Sub-standard	Stage 3 **	2,497.59	1,828.76	668.83	1,247.91	3,060.34
Doubtful						
Upto 1 year	Stage 3	115.25	115.25	-		
1 to 3 years	-					
More than 3 years	-					
Loss assets	Stage 3	46.54	46.54	-		
Subtotal (B)		**2,659.38**	**1,990.55**	**668.83**		
Total	**Stage 1**	**125,069.06**	**1,375.60**	**123,693.46**		
	Stage 2	**1,538.85**	**942.10**	**596.75**	**1,247.91**	**3,060.34**
	Stage 3	**2,659.38**	**1990.55**	**668.83**		
	Total	**129,267.29**	**4,308.25**	**124,959.04**	**1,247.91**	**3,060.34**

Notes to financial statements for the year ended 31 March, 2026

* The provision required as per IRACP norms has been calculated on the aggregate loan portfolio after derecognising the securitised assets which meets the de-recognition criteria under the previous GAAP. The details are as under.

Provision as per IRACP norms	2025-26	2024-25
1% of Loan portfolio (A)	885.68	1,247.65
50% of 90+ overdue and 100% of 180+ overdue (B)	2,394.66	553.75
Higher of (A) or (B)	2,394.66	1,247.65
Other off book and covid provision	36.44	0.26
Total Provision	**2,528.28**	**1,247.91**

**Stage 3 assets contain those loan accounts also which are below 90 DPD but falls under NPA Category.

YY. Information on Net Interest Margin

Quarterly Net Interest Margin

Particulars	March 31, 2026			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Average lending rate	19.33%	19.49%	20.20%	20.34%
Average effective cost of borrowing	11.69%	12.11%	12.08%	11.94%

Particulars	March 31, 2025			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Average lending rate	24.59%	23.98%	22.84%	22.96%
Average effective cost of borrowing	12.00%	11.88%	11.91%	12.17%

ZZ. Disclosures as required for liquidity risk

Funding Concentration based on signicant Ācounterparty (both deposits and borrowings)

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Number of significant counter parties*	26	31
Amount	1,03,243.12	1,31,169.15
Percentage of funding concentration to total deposits	-	-
Percentage of funding concentration to total liabilities	100%	100%

*Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Top 20 large deposits

Particulars	March 31, 2026	March 31, 2025
Total amount of top 20 deposits	Nil	Nil
Percentage of amount of top 20 deposits to total deposits	Nil	Nil

Top 10 borrowings

Particulars	March 31, 2026	March 31, 2025
Total amount of top 10 borrowings	73,597.98	92,089.24
Percentage of amount of top 10 borrowings to total borrowings	71.34%	70.21%

Notes to financial statements for the year ended 31 March, 2026

Funding Concentration based on signicant Āinstrument/product*

(Amount in ₹ Lakhs)

Sr. No.	Name of the instrument/product	31 March 2026	% of Total Liabilities
1	Non-Convertible Debentures (Secured)	18,740.00	18.15%
2	Term Loans from Banks	31,636.41	30.64%
3	Term Loans from Non-banking financial companies	22,954.20	22.23%
4	External commercial borrowings	18,912.20	18.32%
5	Non-Convertible Debentures (Unsecured)	4,000.00	3.87%
6	Non-Convertible Preference Shares	NIL	NIL
7	Subordinated Debt (Tier II)	7,000.00	6.78%
8	Cash Credit	NIL	NIL

(Amount in ₹ Lakhs)

Sr. No.	Name of the instrument/product	31 March 2025	% of Total Liabilities
1	Non-Convertible Debentures (Secured)	15,895.60	12.12%
2	Term Loans from Banks	75,577.29	57.62%
3	Term Loans from Non-banking financial companies	14,438.98	11.01%
4	External commercial borrowings	13,463.18	10.26%
5	Non-Convertible Debentures (Unsecured)	4,000.00	3.05%
6	Non-Convertible Preference Shares	NIL	NIL
7	Subordinated Debt (Tier II)	7,000.00	5.34%
8	Cash Credit	794.10	0.61%

*Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) C.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Stock ratios

(Amount in ₹ Lakhs)

Sr. No.	Name of the instrument/product	March 31, 2026	March 31, 2025
1	Commercial papers as a % of total public funds	Nil	Nil
2	Commercial papers as a % of total liabilities	Nil	Nil
3	Commercial papers as a % of total assets	Nil	Nil
4	Non-Convertible Debentures (original maturity of less than one year) as a % of total public funds	Nil	Nil
5	Non-Convertible Debentures (original maturity of less than one year) as a % of total liabilities	Nil	Nil
6	Non-Convertible Debentures (original maturity of less than one year) as a % of total assets	Nil	Nil
7	Other short-term liabilities as a % of total public funds	Nil	Nil
8	Other short-term liabilities as a % of total liabilities	Nil	Nil
9	Other short-term liabilities as a % of total assets	Nil	Nil

*Public funds are as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Notes to financial statements for the year ended 31 March, 2026

AAA. Disclosure on Transfer of Loan Exposures

Disclosures pursuant to Reserve Bank of India (All India Financial Institutions – Transfer and Distribution of Credit Risk) Directions, 2025 dated November 28, 2025.

(i) Details of loans not in default transferred through assignment:

Particulars	2025-26	2024-25
Aggregate amount of loans transferred	45,566.39	63,703.86
Weighted average maturity (in months)	13.32	15.35
Weighted average holding period (in months)	11.93	10.01
Retention of beneficial economic interest by the originator	10% and 15%- 9 Transactions	10%-10 Transactions
Tangible security cover	Nil	Nil
Rating-wise distribution of rated loans	Not Rated	Not Rated

(ii) The Company has not acquired any loan through assignment during the year ended March 31, 2026.

Particulars	2025-26	2024-25
Aggregate principal outstanding of loans acquired (Rs. In Lakhs)	4,960.17	Nil
Weighted average maturity (in months)	15.03	Nil
Weighted average holding period (in months)	9.42	Nil
Average retention of beneficial economic interest (MRR)(%)	10% 1 transaction	Nil
Average coverage of tangible security (%)	NA	Nil
Rating wise distribution of loans acquired	Nil	Nil

(iii) The Company has not transferred any non-performing assets (NPA's) during the year ended March 31, 2026.

(iv) The Company has not acquired any stressed loan during the year ended March 31, 2026.

Notes to financial statements for the year ended 31 March, 2025

BBB. Schedule to the Balance Sheet of a Non-Banking Financial Company

(as required in terms of Paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
Liabilities side :				
1 **Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid*:**	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(a) Debentures				
Secured	18,661.34	-	15,833.34	-
Unsecured (other than falling within the meaning of public deposits)	3,883.25	-	3,853.48	-
(b) Deferred Credits		-		-
(c) Term Loans	52,946.93	-	88,587.29	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
- External Commercial borrowing	18,870.38	-	13,375.56	-
- Cash Credit	-	-	794.10	-
- FDOD	1,177.83	-	-	-
- Subordinated Liabilities	7,000.00	-	6.991.27	-
2 **Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid): *Refer with schedule 13,14 and 15 of nancial Āstatement.**				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
Assets side:				
3 **Break-up of Loans and Advances including bills receivables [other than those included in (4) below]**:**				
(a) Secured	148.35		-	-
(b) Unsecured *Refer with schedule 5 of financial statement.	96,631.64	2,992.18	1,23,108.83	1,431.34
4 **Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities**				
(I) Lease assets including lease rentals under sundry debtors:				
(a) Financial lease	-	-	-	-
(b) Operating lease	-	-	-	-
(ii) Stock on hire including hire charges under sundry debtors:				
(a) Assets on hire	-	-	-	-
(b) Repossessed Assets	-	-	-	-
(iii) Hypothecation loans counting towards EL/HP activities				
(a) Loans where assets have been repossessed	-	-	-	-
(b) Loans other than (a) above	-	-	-	-

Notes to financial statements for the year ended 31 March, 2026

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
5 Break-up of Investments:				
Current Investments:				
1. Quoted:				
(I) Shares:				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others – Pass through Certificate	-	-	-	-
Others – Security Receipts	5,281.20	-	7,925.36	-
2. Unquoted:				
(I) Shares:				
(a) Equity	-	-	-	-
b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others - Fixed Deposits	10,785.90	-	10,258.12	-

6. Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:

As at 31st March 2026

Category	Amount net of provisions (Amount in ₹ Lakhs)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	73.96	Nil	73.96
2. Other than related parties	74.39	96,631.64	96,706.03
Total	**148.35**	**96,631.64**	**96,779.99**

As at 31st March 2025

Category	Amount net of provisions (Amount in ₹ Lakhs)		
	Secured	Unsecured	Total
1. Related Parties			
(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	1,23,108.83	1,23,108.83
Total	**Nil**	**1,23,108.83**	**1,23,108.83**

Notes to financial statements for the year ended 31 March, 2026

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

As at 31st March,2026

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	1.00	1.00
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	5,281.20	5,281.20
Total	**5,282.20**	**5,282.20**

As at 31st March,2025

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
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	7925.36	7925.36
Total	**7925.36**	**7925.36**

8. Other information

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
(I) Gross Non-Performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	4,518.78	2,659.38
(ii) Net Non-Performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	1,581.68	668.83
(iii) Assets acquired in satisfaction of debt	Nil	Nil

CCC. Loans to Directors. Senior officers and Relatives of Directors

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Directors and their relatives	73.96	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	17.73	-

Notes to financial statements for the year ended 31 March, 2026

DDD. The Company has entered in any Co-lending arrangement during the year ended as on March 31, 2026 and the details of the same are as under.

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Portfolio Outstanding	6,176.63	-
Weighted Average Rate of Interest	17.87%	-
Sector	Textiles | Specialty | Household Products | Jewellery | Auto / Automotive | Rubber / Industrial	-
NPA	49.70	-
FLDG outstanding	50.58	-

EEE During the year ended March 31, 2026, the microfinance sector continued to witness stress arising from borrower over-indebtedness, challenges in the joint liability group lending model and certain regional disruptions, which impacted collection efficiencies and led to higher delinquencies in portions of the legacy loan portfolio originated in earlier periods. Consequently, the Company recognised higher impairment costs during the year ended March 31, 2026. The Company undertook technical write-offs during the year ended March 31, 2026, aggregating to a principal outstanding of Rs. 734.4 Lakhs (Light Share). The selection of accounts for technical write-off was based on objective criteria identified by the management as loss assets in line with the Company's credit loss policy framed as per Ind AS 109 - Financial Instruments. The Company continues to pursue recovery actions in respect of written-off accounts in line with its recovery processes. Loans originated during FY2026 exhibited stable performance, while overall collection efficiency across all buckets improved steadily over the course of the year. These trends reflect the positive impact of strengthened underwriting standards and enhanced risk management practices. In light of the improvement observed across key operating and credit parameters, the Company believes that its existing provisioning and recovery-led approach remains appropriate, and that accelerated write-offs are no longer warranted. Accordingly, the write-offs recognised during the year are aligned with the Company's impairment assessment framework.

FFF The Government of India has consolidated 29 existing labour laws into four Labour Codes: Code on Wages, 2019; Code on Social Security, 2020; Industrial Relations Code, 2020; and Occupational Safety, Health and Working Conditions Code, 2020. These Codes became effective from November 21, 2025. The Ministry of Labour & Employment has issued draft Central Rules and FAQs to facilitate understanding of the regulatory changes and to enable assessment of their financial implications. Based on the information presently available and in accordance with the guidance issued by the Institute of Chartered Accountants of India (ICAI), management has assessed that the incremental impact arising from the Labour Codes is not material and, accordingly, the same has been considered in the standalone financial statements for year ended March 31, 2026. The Central and State Rules under the Labour Codes are yet to be notified and, upon such notification. The Company continues to monitor the finalisation of Central and State Rules, as well as further clarifications from the Government, and will evaluate and reflect any additional impact in its books of accounts as appropriate.

GGG Figures of previous year has been regrouped/ reclassified, wherever necessary, to correspond with the figures of the current year.

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

Independent Auditor's Report

To The members of **Light Microfinance Private Limited**

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Financial Statements of Light Micro. nance Private Limited ("the Holding Company") and its subsidiary, Light Capital Private Limited (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including the statement of Other Comprehensive Income), Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as " Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") read with applicable relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) Guidelines ("RBI Guidelines") and accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2026, and their consolidated loss including other comprehensive income, consolidated cash flows and the consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

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

EMPHASIS OF MATTER

We draw attention to Note no. "30 UU" to the Consolidated Financial Statements regarding covenant breach and its respective waiver process, as well as implications on financial charges and liabilities.

We draw attention to Note No. "30 WW" to the Consolidated Financial Statements regarding the requirement under the applicable Reserve Bank of India Master Directions for the Company to maintain minimum qualifying assets towards microfinance loans. As at March 31, 2026, the Company's qualifying assets ratio stood at 52.03%. The Company has intimated the relevant position to the Reserve Bank of India vide its letter dated April 23, 2026.

We draw attention to Note no. 1(b) to the Consolidated Financial Statements, which discloses that the Group has prepared Consolidated Financial Statements for the first time during the year ended March 31, 2026 following the incorporation of its subsidiary ("Light Capital Private Limited"). As further explained in the note, because this is the initial period of consolidation, consolidated comparative financial information for the preceding financial year is not available. Accordingly, the comparative information presented herein represents solely the standalone financial position and performance of the Holding Company and is not directly comparable to the current period's consolidated financial numbers.

Our opinion on the Consolidated Financial Statement is not modified in respect of above matters.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How the matter was addressed in our audit

(a) Allowances for Expected Credit Losses **(as described in note 1 (p) and 5 of the Ind AS nancial Āstatements)**

Ind AS 109 Financial instruments (Ind AS 109) requires the Company to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach.

ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model.

These judgement and estimates include:

1. Estimating the behavioural life of the product/types of loans/ advances.
2. Data inputs in relation to ECL model.
3. Determination of loan book segmentation, probability of defaults, loss given defaults and exposure at default.
4. Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'.
5. Determining effect of less frequent past events on future probability of default.

Considering the inherent judgmental nature, the complexity of model involved, degree of estimate involved in the model and computation of impairment loss allowance along with the significance of the amount and its impact on the Consolidated Financial Statements, this area has been considered as key audit matter.

Our audit procedures on test check basis included the following:

1. Examined the Holding Company's Board of Director's policy approving methodologies for computation of ECL that addresses policies and procedures for assessing and measuring credit risk on the lending exposures of the Holding Company in accordance with the requirements of Ind AS 109. Further, also examined the documentation by management on the parameters and assumptions used in the ECL model, and its rationale.
2. Obtained an understanding of the modelling techniques adopted by the Holding Company including the key inputs and assumptions. Since modelling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant.
3. Assessed and tested the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized.
4. Evaluated the appropriateness of the Holding Company's determination of significant increase in credit risk in accordance with the applicable accounting standard and the basis for classification of exposures into various stages.
5. Tested the completeness of Holding Company's loans included in the Expected Credit Loss calculations as of March 31, 2026 by reconciling it with the balances as per loan balance register. On a test check basis, we tested the EAD, evaluated management's assessment of parameters such as probability of default (PD) or loss given default (LGD) and also tested the data used in the PD and LGD model for ECL calculation by reconciling it to the source data. Further, we tested assets in stage 1, 2 and 3 on a sample basis to verify that they were allocated to the appropriate stage.
6. On a test check basis, ensured compliance with RBI Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP') read with RBI circular on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances in relation to identification, upgradation and provisioning of nonperforming assets (NPAs) and ensured that the Holding Company has classified NPAs as credit impaired loans.
7. Evaluated the appropriateness of the methodology and policy laid down and implemented by the Holding Company for the loan portfolio written-off during the

year and tested the authorization for write-off on a sample basis.

8. We assessed the disclosures included in the Ind-AS financial statements with respect to such allowance / estimate are in accordance with the requirements of Ind AS 109 and Ind AS

   107 Financial Instruments: Disclosures.

9. In addition to the above procedures, we have obtained written representations from the management in relation to appropriateness of such ECL methodology and reasonableness of the judgements and assumptions used.

(b) Information Technology ('IT') Systems and Internal Controls for nancial Āreporting

The financial accounting and reporting systems of the Holding Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.

Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records.

Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.

Our audit procedures on test check basis included the following:

1. The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs – to understand the design and test the operating effectiveness of such controls.
2. Assessed the changes that were made to the key systems during the audit period and assessing changes that have impact on financial reporting.
3. In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal system controls over financial reporting using various techniques such as inquiry, review of documentation / record / reports, observation, and reperformance.
4. Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report of Holding Company but does not include the Consolidated Financial Statements and auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that gives a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity

of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of Companies included in group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of companies included in Group is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of companies included in the group are also responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.

  Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation, and
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance of Holding Company with a statement that we have complied with

relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" or "CARO") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (the "Act"), to be included in the Auditor's Report on the Consolidated Financial Statements, according to the information and explanations given to us and based on the CARO report issued by us in the Standalone Financial Statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the said CARO report.

   The subsidiary, being small company as defined under clause (85) of section 2 of The Companies Act, 2013 is exempt from the applicability of The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books except for the matters stated in paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding and its Subsidiary Company, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Holding Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report. In respect of the subsidiary company the provisions of Section 143(3)(i) of the Act are not applicable to the said subsidiary.

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   a) The Group does not have any pending litigations which would impact its financial position as stated in Note No. 30-H.

   b) The Group has not made any provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

(d) (I) The management of the Holding Company and its Subsidiary has represented that, to the best of their knowledge and belief, as disclosed in the Note No. 30-S (xii) (A), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its Subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its Subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management of the Holding Company and its Subsidiary has represented, that, to the best of their knowledge and belief, as disclosed in the Note No. 30-S (xii) (B), no funds have been received by the Holding Company or its Subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its Subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under clause (I) and (ii) of Rule 11(e), as provided under i) and ii) above, contain any material misstatement.

e) The Holding Company or its Subsidiary has not declared or paid any dividend during the year.

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

3. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Group since the Holding company and its subsidiary is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No.: 129033
UDIN: 2612903300YQEK4858

Place of Signature: Ahmedabad
Date: 27th May, 2026

Annexure - A to the Independent Auditors' Report

Report on the internal nancial Ācontrols with reference to the aforesaid standalone nancial Āstatements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the act")

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal nancial Ācontrols over nancial Ā reporting of Light Microfinance Private Limited ("the Holding Company") and its Subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), as of March 31, 2026 in conjunction with our audit of the accompanying consolidated nancial Āstatements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's Management is responsible for establishing and maintaining internal nancial Ācontrols based on the internal control over . nancial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

The audit of internal financial controls with reference to financial statements of the aforementioned subsidiary, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No.: 129033
UDIN: 2612903300YQEK4858

Place of Signature: Ahmedabad
Date: 27th May, 2026

Statement of audited consolidated assets and liabilities

as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial assets			
Cash and cash equivalents	2	13,689.04	29,802.84
Bank balances other than cash and cash equivalents	3	10,785.90	7,758.12
Derivative Financial Instruments	4	2,256.56	200.89
Loans	5	96,779.99	123,108.83
Investments	6	5,281.20	7,925.36
Other nancial assets Ā	7	4,819.15	5,427.05
		133,611.84	**174,223.08**
Non Financial Assets			
Current tax assets (net)	8	491.05	299.57
Deferred tax asset (net)	9	4,176.90	1,020.75
Property, Plant & Equipment's	10-A	733.28	1,103.32
Right of Use		876.03	1,042.24
Intangible assets under development	10-B	-	28.45
Other Intangible assets	10-A	943.49	1,209.83
Other non-nancial assets Ā	11	1,945.58	716.40
		9,166.34	**5,420.55**
Total Assets		**142,778.18**	**179,643.64**
LIABILITIES & EQUITY			
Liabilities			
Financial Liabilities			
Payables			
Trade Payables			
(i) Total outstanding dues of Micro enterprises and small enterprises	12	78.27	93.78
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises other payables	12	139.56	131.16
Debt securities	13	18,661.34	15,833.34
Borrowings (other then Debt securities)	14	72,995.13	102,756.95
Subordinated Liabilities	15	10,883.25	10,844.74
Other nancial liabilities Ā	16	5,574.77	5,609.30
Lease liabilities		1,017.44	1,122.69
		109,349.76	**136,391.97**
Non Financial Liabilities			
Current tax assets (net)			
Provisions	17	1,096.24	1,134.28
Other non Financial liabilities	18	759.18	1,472.54
		1,855.42	**2,606.81**
Equity			
Equity share capital	19	10,779.68	10,779.68
Other equity	20	20,793.33	29,865.18
		31,573.00	**40,644.86**
Total liabilities and equity		**142,778.18**	**179,643.64**
Notes forming part of the Financial Statements	1 to 29		

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director

DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

Statement of consolidated nancial Āresults

for the year ended March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations			
Interest income	21	28,891.21	41,449.45
Other operating income	22	5,271.85	6,741.41
Total revenue from operation		**34,163.06**	**48,190.86**
Other income	**23**	**694.61**	**1,302.15**
Total Income (I+II)		**34,857.67**	**49,493.01**
Expenses			
Finance cost	24	17,891.99	20,939.80
Impairment/(Reversal) of Impairment on Financial Instruments	25	3,615.98	(457.28)
Net loss on derecognition of financial instruments under amortised cost category	25	6,669.32	5,440.17
Employee Benet Expense Ā	26	13,969.08	16,398.82
Depreciation & Amortization Expenses	27	1,155.03	1,378.18
Other Expenses	28	6,065.31	5,052.26
Total Expenses (IV)		**49,366.71**	**48,751.95**
Profit/(loss) before tax (III-IV)		**(14,509.04)**	**741.06**
Tax Expenses			
Current Tax		-	133.11
Deferred Tax		(3,652.80)	76.37
(Excess)/Short provisions of earlier year		(133.11)	50.06
Total tax expense (VI)		**(3,785.91)**	**259.54**
Net profit/(loss) after tax (V-VI)		**(10,723.13)**	**481.52**
Other Comprehensive Income/(loss)			
(1) Items that will not be reclassified to prot and loss Ā		(82.32)	(67.51)
(2) Income tax relating to items that will not be reclassified to prot and loss Ā		20.72	16.99
Subtotal (a)		**(61.60)**	**(50.52)**
(1) Items that will be reclassified to profit and loss-Fair value income/(loss) on derrivative nancial instruments Ā		2,055.67	274.91
(2) Income tax relating to items that will be reclassified to prot and loss Ā		(517.37)	(69.19)
Subtotal (b)		**1,538.30**	**205.72**
Other Comprehensive income/(loss) (a+b)		**1,476.70**	**155.21**
Total comprehensive (loss)/income (comprising profit and other comprehensive (loss) / income)		**(9,246.43)**	**636.73**
Paid up share capital		**10,779.68**	**10,779.68**
Other equity as per balance sheet of previous accounting year			
Earning per share (EPS) (face value of Rs. 10 per equity share)			
Basic EPS *	29-B	(42.81)	1.92
Diluted EPS *	29-B	(42.81)	0.81
Notes forming part of the financial results - 1 to 29			

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director

DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

Statement of audited Consolidated cash flow

as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Cash flow from Operating Activities		
(Loss)/Profit before tax	(14,509.02)	741.06
Depreciation and amortization	1,027.37	1,160.90
Gain on sale of units of Mutual Fund	(578.36)	(1,257.08)
Non Cash Employee Share Base Payment Expense	174.57	82.75
Gain on sale of Assets	(0.46)	(0.01)
Operating (Loss)/ Profit before Working Capital Changes	**(13,885.90)**	**727.62**
Movements in Working Capital:		
Decrease/(Increase) in trade receivables	-	11.93
Decrease/(Increase) in loans	26,328.83	55,562.00
Decrease/(Increase) in other nancial assets Ā	607.90	958.93
Decrease/(Increase) in right of use	166.21	(709.39)
Decrease/(Increase) in other non nancial assets Ā	(339.99)	(413.62)
Increase/(Decrease) in trade payables	(7.11)	(448.85)
(Decrease)/Increase in other nancial liabilities Ā	(145.86)	(28.32)
(Decrease)/Increase in provisions	(99.64)	524.66
(Decrease)/Increase in other non nancial liabilities Ā	(713.36)	(217.97)
Cash Generated/(Used in) Operations:	**11,911.08**	**55,966.97**
Direct Taxes Paid (net of refunds)	450.91	432.68
Net Cash Flow from/(used in) Operating Activities (A)	**11,460.17**	**55,534.29**
Cash flow from Investing Activities		
Purchase of property, plant and equipment (net)	(87.59)	(1,128.64)
Redemption / (Purchase) of units of Mutual Funds (net)	578.36	1,257.08
Decrease/(Increase) in Investment	2,644.16	(6,912.64)
(Increase) / Decrease in fixed deposits	(3,027.78)	(1,766.79)
Purchase of intangible asset	(360.49)	(887.91)
Capital work in progress	-	284.56
Intangile assets under development	28.45	87.58
Proceeds from disposal of property, plant and equipment	57.54	282.41
Net Cash Flow from/(used in) Investing Activities (B)	**(167.35)**	**(8,784.35)**

Statement of cash flow
as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Cash flow from Financing Activities			
Derivative Financial Instruments		(517.37)	(69.19)
Debt securities (repaid)/issued (net)		2,828.00	(4,942.69)
Borrowings other than debt securities repaid (net)		(29,761.82)	(37,852.79)
Subordinated Liabilities (net)		38.51	40.82
Increase /(Payment) of lease liabilities		(105.25)	707.84
(Decrease)/Increase in Interest accrued on borrowing		111.32	(292.17)
Net Cash Flow from/(used in) financing Activities (C)		**(27,406.61)**	**(42,408.17)**
Net Increase/(decrease) in cash and cash equivalents		**(16,113.80)**	**4,341.76**
Cash and Cash equivalents at the beginning of the year		**29,802.84**	**25,461.08**
Cash and Cash equivalents at the end of the period		**13,689.05**	**29,802.84**
Notes forming part of the financial results			
As per our attached report of even date			

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director

DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

Consolidated Statement of change in equity

as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Equity Share	Preference Share
Issued, Subscribed and Fully Paid-up Share Capital		
Balance as at 1 April 2024	**2,505.00**	**8,274.68**
Issued During the Period - -		
Balance as at 31 March 2025	**2,505.00**	**8,274.68**
Issued During the Period - -		
Balance as at 31 March 2026	2,505.00	8,274.68

Particulars	Statutory Reserves*	Securities Premium	Retained Earnings	Stock options outstanding account	Other comprehensive Income	Money received against share warrants	Total
Balance as at 1 April 2024	**2,668.40**	**18,575.95**	**7,783.61**	**198.82**	**(109.39)**	**28.30**	**29,145.70**
Amount Transferred from balance in the statement of prot and loss u/s 45 IC Ā of Reserve Bank of India Act, 1934	86.20	-	-	-	-	-	86.20
Surplus for the period	-	-	636.73	-	-	-	636.73
Cash flow Hedge Reserve	-	-	(205.72)	-	205.72	-	-
Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934	-	-	(86.20)	-	-	-	(86.20)
Money received against share warrant						-	-
Reserve added during the year Option Granted				82.75			82.75
Other comprehensive income	-	-	50.52	-	(50.52)	-	-
Balance as at 31 March 2025	**2,754.60**	**18,575.95**	**8,178.94**	**281.57**	**45.82**	**28.30**	**29,865.18**
Amount Transferred from balance in the statement of prot and loss u/s 45 IC Ā of Reserve Bank of India Act, 1934	-	-	-	-	-	-	-
Surplus for the period	-	-	(9,246.43)	-	-	-	(9,246.43)
Cash flow Hedge Reserve	-	-	(1,538.30)	-	1,538.30	-	-
Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934	-	-	-	-		-	-
Money received against share warrant	-	-	-	-		-	-
Reserve added during the year Option Granted	-	-	-	174.57		-	174.57
Other comprehensive income	-	-	61.60	-	(61.60)	-	-
Balance as at 31 March 2026	**2,754.60**	**18,575.95**	**(2,544.19)**	**456.14**	**1,522.52**	**28.30**	**20,793.33**

* Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45-IC of Reserve Bank of India Act 1934.
See accompanying notes to the financial statements in terms of our report attached

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

For Light Microfinance Pvt Ltd

Place : Ahmedabad

Date: 27th May, 2026

Deepak Amin
Managing Director
DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

NOTE 1: NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

a. Corporate Information

Light Micro. nance Private Limited ("The Holding Company") is a Private Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Holding Company was registered as a Non-Deposit accepting Non-Banking Financial Company ("NBFC-ND") with the Reserve Bank of India ("RBI") and has got classified as a Non-Banking Financial Company – Micro Finance Institution ("NBFC-MFI") with effect from May 27, 2014. As per the "Master Direction- Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025" issued by the RBI The Holding Company is classified as non-banking financial company-middle layer ('NBFC-ML'). The registered office of The Holding Company is located at 308 Aggarwal Tower, Plot No.2 , Sectior-5, Dwarka, New Delhi-110075 (Delhi). The Corporate office of The Holding Company is located at 1501,15th Floor, Sankalp Square 3B, Sindhu Bhavan Road, B/s Hotel Taj Skyline, Shilaj, Ahmedabad-380058(Gujarat).

The Holding Company is engaged primarily in providing microfinance services to its members for undertaking productive activities in urban/semi-urban/rural areas of India who are organized, inter alia as Joint Liability Groups ("JLGs"). The Holding Company has its operation spread across 9 states namely Gujarat, Haryana, Himachal Pradesh, Madhya Pradesh, Rajasthan, Odisha, Uttar Pradesh, Jharkhand and Uttarakhand.

During the year, the Holding Company invested ₹99,990 in Light Capital Private Limited (the "Subsidiary" or LCPL), incorporated on May 9, 2025 by subscribing to 9,999 equity shares of ₹10 each at par.

LCPL (CIN: U66190DL2025PTC448062), is a private limited company incorporated under the provisions of Companies Act, 2013. The Subsidiary's registered office is situated at 308, Agarwal Tower, Plot No.2 Sector-5, District Court Complex Dwarka, Delhi, South West Delhi – 110075. LCPL is primarily engaged in providing Financial intermediation services.

The Holding company together with its subsidiary mentioned below hereinafter collectively referred to as ("The Group").

b. Basis of Preparation

Statement of compliance with Indian Accounting Standards (Ind AS)

The consolidated financial statements have been prepared in accordance with Indian accounting standards (Ind AS) prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act"), the Master Direction- Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Updated as on April 1, 2026) and other relevant circulars, guidelines and directions as issued by RBI and applicable to NBFC-MFIs.

The consolidated financial statements have been prepared on going concern basis as the management is satisfied that The Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption, in accordance with accounting principles generally accepted in India.

The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

These Consolidated Ind AS Financial Statements have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 27 2026. The above results for the year ended March 31, 2026. have been audited by the Statutory Auditors of The Group.

The consolidated financial statements, which discloses that the Group has prepared consolidated financial statements for the first time during the year ended March 31, 2026 following the incorporation of its subsidiary. As further explained in the note, because this is the initial period of consolidation, consolidated comparative financial information for the preceding financial year is not available. Accordingly, the comparative information presented herein represents solely the standalone financial position and performance of the Holding Company and is not directly comparable to the current period's consolidated financial numbers.

Basis of measurement

The consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair value through profit and loss (FVTPL) or fair values through other comprehensive income (FVOCI) as explained in relevant accounting policies.

MATERIAL ACCOUNTING POLICY INFORMATION

c. Basis of Consolidation

The consolidated financial statements incorporate the standalone financial statements of the Holding Company and its subsidiary (from the date of its

incorporation). Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. Where necessary, adjustments are made to the financial statements of subsidiary to align the accounting policies in line with accounting policies of the Holding Company.

The Holding Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Holding Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Holding Company gains control until the date the Holding Company ceases to control the subsidiary.

The consolidated financial statements include results of the subsidiary of the holding company, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

Consolidation procedure:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intracompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Company (profits or losses resulting from intracompany transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intracompany losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intracompany transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the Holding Company and to the non-controlling interests, even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the standalone financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies. All intracompany assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The subsidiary has prepared its standalone financial statements in accordance with Division II of Schedule III to the Companies Act, 2013, as applicable. However, since the Holding Company is a NBFC, it is required to prepare its financial statements in accordance with Division III of Schedule III to the Companies Act, 2013, the financial information of the subsidiary has been suitably regrouped, reclassified and converted, wherever considered necessary, to align with the presentation and disclosure requirements prescribed under Division III for the purpose of preparation of these consolidated financial statements.

Non-controlling interest:

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d. Use of Estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

e. Critical Accounting estimates and judgements

Information about significant areas of estimates, uncertainty and critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

1. **Fair Value measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using the valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. For further details about determination of fair value refer note j and para 29(I) of notes to accounts.

2. **Impairment of Financial instruments**

Assessment of whether the credit risk associated with a financial asset has increased significantly since its initial recognition, along with the incorporation of forward-looking information in the measurement of Expected Credit Loss (ECL), involves significant management judgement.

Determining the impairment allowance for loans and advances requires management to estimate both the amount and timing of future cash flows expected to be recovered. While making these estimates, management evaluates various factors relating to the borrower's financial condition, repayment capacity, historical repayment behaviour, credit quality, level of arrears, and prevailing as well as anticipated economic conditions. Since these estimates are based on assumptions and projections involving multiple variables, actual outcomes may differ from those anticipated, which could result in subsequent changes to the impairment allowance recognized by The Holding Company.

ECL estimates are subject to adjustments through management overlays to reflect management's assessment of prevailing macroeconomic and microeconomic factors, including forward-looking estimates of the economic environment and portfolio-specific risks relevant to The Holding Company's operations.

3. **Defined employee benet assets and liabilities Ā**

The cost of defined benefit gratuity plan and other post-employment benefits along with the present value of the gratuity obligation involves critical accounting estimates and judgements. The determination of these obligations requires actuarial valuation, which involves the use of various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future increase in salary and mortality rates. Due to 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.

4. **Provisions and other contingent liabilities**

The Holding Company operates in a regulatory and legal environment that by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigations, arbitration regulatory investigations and proceedings in the ordinary course of Company's business. When The Holding Company can reliably measure the outflow of economic benefits in relations to a specific case and considers such outflows to be probable, The Holding Company records a provision against the case. Where the outflow is considered to be probable but a reliable estimate cannot be made, a contingent liability is disclosed., Significant judgement is required to conclude on these estimates. For further details on provision and contingencies refer note v and w.

5. **Provision for income tax and deferred tax**

The Holding Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax . A deferred tax asset is recognised to the extent that it is probable that the future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, The Holding Company exercises its judgment to reassess the carrying amount of deferred tax assets at the end of each reporting period.

6. **Effective interest rate**

The application of the effective interest method requires management to estimate future contractual cash receipts over the expected life of the financial instrument, including assumptions relating to repayment patterns, prepayments, and the treatment of fees, transaction costs, premiums, and discounts that form an integral part of the effective interest rate. Any revision in these

estimates requires recalculation of the amortized cost of the financial asset using the original or latest re-estimated EIR, with the resultant adjustment recognized in Interest and Similar Income. The determination and periodic reassessment of these estimates involve considerable judgement, particularly in respect of the expected life of the loan portfolio and timing of future cash flows. Interest income on financial assets, other than those classified as at FVTPL, is recognized using the effective interest basis.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on The Holding Company and that are believed to be reasonable under the circumstances. Management believes that these estimates used in preparation of the financial statements are prudent and reasonable.

f. Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost of acquisition or construction (including directly attributable expenses thereto) or at revalued amounts, net of impairment loss if any, less depreciation/ amortisation. The cost of property, plant and equipment includes duties, freight and other directly/specifically attributable expenses related to the construction, acquisition and installation of the respective assets.

Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to The Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognized.

g. Capital work-in-progress

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

h. Intangible assets

Intangible assets are recorded at the consideration paid / payable for acquisition in case the same have been purchased/acquired. Internally generated intangible assets are carried at cost incurred to generate the asset. These are reviewed for impairment as at the balance sheet date and whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable. If impairment is indicated, the same is recognized in the Statement of Profit and Loss for the period.

Intangible assets under development consists of cost capitalized since the development costs are measurable reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and The Holding Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of purchase of license, direct labour and overheads costs that are directly attributable to preparing the asset to its intended use.

i. Depreciation and amortization

All property, plant and equipment, except capital work in progress, are depreciated on a written down value method as per the useful lives as mentioned in Schedule II of Companies Act, 2013. Residual value is considered as 5% in which case it is considered as per Schedule II. Depreciation is charged proportionately from/to the date of acquisition/disposal.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Depreciation method and useful lives are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets are amortized over their estimated useful life, which in management's estimate represents the period during which economic benefits will be derived from their use. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication on impairment based on internal/external factors.

The useful life of the assets estimated by the management:

(a)	Furniture and fixtures*	10 years
(b)	Computers	3 years
(c)	Office equipment	5 years
(d)	Electric Installation	10 years
(e)	Leasehold improvements	Life based on the lease period
(f)	Intangible Assets	5 years

*Useful life of fixtures for leasehold property is as per life based on the lease period.

j. Financial assets

Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e. the date that The Holding Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classi. cation and subsequent measurement of Financial assets

The Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test.

Business model: The business model reflects how The Holding Company manages the assets in order to generate cash flows. That is, where The Holding Company's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where The Holding Company's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows (i.e. measured at amortized cost) or to collect contractual cash flows and sell (i.e. measured at fair value through other comprehensive income), The Holding Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, The Holding Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.

- **Financial assets carried at amortised cost**

  Financial assets like loan portfolio are measured at amortised cost, if both the following conditions are met:

  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
  - The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method less impairment. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

- **Investments in Mutual Funds**

  Mutual funds included within FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- **Investments in security receipts**

  Investment in security receipts issued by trust floated by asset reconstruction companies are accounted for at fair value through profit & loss (FVTPL).

k. Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date using various valuation techniques. Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The Holding Company's accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortized cost are required to be disclosed in the said financial statements. The Holding Company is required to classify the fair

valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair-value-hierarchy which reflects the significance of inputs used in the measurement.

All assets and liabilities for which fair value is measured are categorised with fair value hierachy into Level I, Level II and Level III 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 as follows:

Level 1 - Quoted prices (unadjusted) in active markets

for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - Other than quoted prices included within Level

1, those where the inputs that are used for valuation and are significant, are derived from direclty or indirectly observable market data availble over the entire period of instrument's life.

Level 3 - Unobservable inputs for the asset or liability.

l. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified and measured at amortized cost. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Holding Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

m. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is de-recognised (i.e. removed from The Holding Company's balance sheet) when the rights to receive cash flows from the financial asset have expired. The Holding Company also derecognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Holding Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement.

Assignment arrangements are transactions whereby The Holding Company retains the contractual rights to receive the cash flows of a financial asset (the "original asset"), but assumes a contractual obligation to pay those cash flows to one or more entities ("eventual recipients"), when all of the following three conditions are met:

- The Holding Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Holding Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Holding Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.
- In addition, The Holding Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the year between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Holding Company has transferred substantially all the risks and rewards of the asset or
- The Holding Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Holding Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and can exercise that ability unilaterally and without imposing additional restrictions on the transfer. When The Holding Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of The Holding Company's continuing involvement, in which case, The Holding Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that The Holding Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and

the maximum amount of consideration The Holding Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value The Holding Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on de-recognition of such financial asset previously carried under amortisation cost category. The Holding Company continues to recognise their part of assignment transaction in the books of accounts and the same is recognised at amortised cost. The resulting interest only strip initially is recognised at FVTPL.

As per guidelines of RBI, The Holding Company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continue to recognise the portion retained by it as MRR.

n. Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

o. Hedge Accounting

The Holding Company enters into swap contracts and other derivatives financial instruments to hedge its exposure to foreign exchange and interest rates. The Holding Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

The Holding Company designates their derivatives as hedges of foreign exchange risks associated with the cash flows of loan repayments including interest part.

Cash Flow hedge

A cash flow hedge is a hedge of the exposure to variabilities in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit and loss.

Here, 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 in equity as 'hedging reserve'.

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as hedged item.

Hedge accounting is discontinued when the hedging instruments expires or is sold, terminated, or exercised or when it no longer qualifies for the hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

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.

p. Impairment of financial assets

In accordance with Ind AS 109, The Holding Company is required to measure expected credit losses (ECL) on its financial instruments designated at amortized cost and fair value through other comprehensive income.

Accordingly, The Holding Company is required to determine lifetime losses on financial instruments where credit risk has increased significantly since its origination. For other instruments, The Holding Company is required to recognise credit losses over next 12-month period. The Holding Company has an option to determine such losses on an individual basis or collectively depending upon the nature of underlying portfolio.

The Holding Company has a process to assess credit risk of all exposures at each year end as follows:

Stage I

These represent exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date. The

Holding Company has assessed that all standard exposures (i.e. exposures with no overdue) and exposures up to 30 days overdue fall under this category. In accordance with Ind AS 109, The Holding Company measures ECL on such assets over next 12 months.

Stage II

Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. Based on empirical evidence, significant increase in credit risk is witnessed after the overdue on an exposure exceed a period of 30 days and upto 90 days. Accordingly, The Holding Company classifies all exposures with overdue exceeding 30 days at each reporting date under this Stage. The Holding Company measures lifetime ECL (LTECL) on stage II loans.

Stage III

All exposures having overdue balances for a period exceeding 90 days are defaults and are classified under this stage (91 to 179 Days DPD and 180 and above Days DPD). Accordingly, The Holding Company measures lifetime losses on such exposure. For financial assets for which The Holding Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Methodology for calculating ECL

The Holding Company determines ECL based on a probability weighted outcome of factors indicated below to measure the shortfalls in collecting contractual cash flows.

- **Probability of default (PD)**
  The probability of default is an estimate of the likelihood of default over a given time horizon (12-month or lifetime, depending upon the stage of the asset).
- **Exposure at default (EAD)**
  It represents an estimate of the exposure of The Holding Company at a future date after considering repayments by the counterparty before the default event occurs.
- **Loss given default (LGD)**
  It represents an estimate of the loss expected to be incurred when the event of default occurs.

Forward looking information

While estimating the expected credit losses, The Holding Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, The Holding Company analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by The Holding Company based on its internal data. While the internal estimates of PD, LGD rates by The Holding Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macroeconomic trends reasonably.

Analysis of inputs to the ECL model under multiple economic scenarios

ECL estimates are subject to adjustments through management overlays to reflect management's assessment of prevailing macroeconomic and microeconomic factors, including forward-looking estimates of the economic environment and portfolio-specific risks relevant to The Holding Company's operations.

q. Write-offs

Impaired Loans and receivables are written off, against the related allowance for loan impairment on completion of The Holding Company's internal processes and when The Holding Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. However, financial assets that are written off could still be subject to enforcement activities under Company's recovery procedures, taking into account legal advice where appropriate.

r. Leases

The Holding Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Company as a lessee

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

Right-of-use asset

The Holding Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for

any re-measurement of lease liabilities. 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.

Lease liabilities

At the commencement date of the lease, The Holding 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 less any lease incentives receivable, variable lease payments, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, The Holding 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 re-measured if there is a modification, a change in the lease term or a change in the lease payments.

Short-term leases

The Holding Company has elected to account for short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date) and leases of low-value assets using the practical expedients. Instead of recognizing a right-of use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

s. Share based payment

The Holding Company has formulated an Employees Stock Option Schemes. The stock options granted to employees pursuant to The Holding Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in other equity. The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. It recognizes the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

t. Taxes

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity.

Deferred Tax

Deferred tax is provided using the Balance Sheet approach or temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

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 utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized 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 realized or the liability is settled,

based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other 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. Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

u. Earnings Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings Per Share.

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the

weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue and bonus element in a right issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

v. Provisions

A provision is recognised when The Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

w. Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyong the control of The Holding Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Holding Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Holding Company does not have any contingent assets in the financial statements.

x. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques in hand, demand deposits with banks which are kept for original maturities of less than three months, other short-term highly liquid investments with original maturities of three months or less.

y. Cash flow statement

Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating (operating activities), investing and financing activities of The Holding Company are segregated.

z. Revenue Recognition

Interest Income

The Holding Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost.

EIR is calculated by considering any fees and all incremental costs that are directly attributable to acquisition of a financial asset and it represents a rate that exactly discounts estimated future cash payments/ receipts through the expected life of the financial asset to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

The Holding Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit impaired and is, therefore, regarded as 'Stage 3', The Holding Company calculates the interest income to the extent recoverable. If the financial assets cures and is no longer credit-impaired, The Holding Company reverts to calculating interest income on gross basis. Additional interest/ overdue interest/other charges are recognized only when it is reasonably certain that the ultimate collection will be made.

Income from assignment transactions (refer para m of the notes to the account)

Gain arising on assignment transactions is recorded upfront in the statement of Profit and Loss with complete transfer of risks and rewards and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transactions in accordance with Ind AS 109. Further the transfer of financial assets qualifies for derecognition in its entirely, the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition itself as excess interest spread and correspondingly recognised as profit on derecognition of financial asset.

Fees and Commission income

Income in the form of fees and commission is recognised as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognized at the time when the right to receive is established by the reporting date.

Recovery from bad debts

Recovery from bad debts written off is recognised as income on actual realisation from the customers.

Recognition of other income

Revenue (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 - Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which The Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, The Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which The Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) The Group satisfies a performance obligation.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/ collection.

aa. Borrowing Cost

Borrowing costs consists of interest and other cost (like fees, commission payable to arranger, external legal cost, and other related expenses) that The Holding Company incurred in connection with the borrowing of funds. Borrowing costs charged to the Statement of Profit and Loss based on effective interest rate method.

bb. Foreign Currency transactions

Transactions denominated in foreign currencies are initially recorded in the functional currency using the spot exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are subsequently restated at the spot exchange rate prevailing as at the reporting date. Exchange differences arising on settlement or restatement of such items, to the extent not capitalized, are recognized as borrowing costs and presented under finance costs.

Notes to Consolidated financial statements for the year ended March 31, 2026

2. Cash and Cash Equivalents

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on Hand	21.91	68.31
Balances with Banks in Current accounts	13,667.13	27,234.53
Bank deposit with maturity of less than 3 months	-	2,500.00
Total	**13,689.04**	**29,802.84**

3. Bank Balance Other Than Cash And Cash Equivalents

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed deposit with bank not considered as cash and cash equivalents*	10,785.90	7,758.12
Total	**10,785.90**	**7,758.12**

*Balances with banks to the extent held as margin money or security against the borrowings

4. Derivative Financial Instruments

(Amount in ₹ Lakhs)

Part I	As at March 31, 2026			
	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Currency Derivatives:				
Currency Swaps	16,530.15	2,256.56	-	-
Total Derivatives Financial Instruments	**16,530.15**	**2,256.56**	**-**	**-**

(Amount in ₹ Lakhs)

Part II	As at March 31, 2026			
	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Included in the above are derivatives held for hedging and risk management purposes as follows(cash flow hedging)				
Currency Swaps	16,530.15	2,256.56	-	-
Total Derivatives Financial Instruments	**16,530.15**	**2,256.56**	**-**	**-**

Derivative Financial Instruments

(Amount in ₹ Lakhs)

Part I	As at March 31, 2025			
	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Currency Derivaties:				
Currency Swaps	12,943.75	200.89	-	-
Total Derrivatives Financial Instruments	**12,943.75**	**200.89**	**-**	**-**

(Amount in ₹ Lakhs)

Part II	March 31, 2025			
	Notional Amounts	Fair Value of Assets	Notional Amounts	Fair Value of Liabilities
Included in the above are derivatives held for hedging and risk management purposes as follows(cash flow hedging)				
Currency Swaps	12,943.75	200.89	-	-
Total Derivatives Financial Instruments	**12,943.75**	**200.89**	**-**	**-**

Notes to Consolidated financial statements for the year ended March 31, 2026

Hedging activities and derrivatives

The Company uses Currency Swap to hedge its risks associated with foreign currency risk arising from External Commercial Borrowings.Currency Swap provides hedging both Principal and coupon payment on the underlying exposures.

Cash flow hedges: The Company uses Currency Swap to hedge its risks associated with forign currency risk arising from External Commercial Borrowings. Currency Swap provides hedging of both principal and coupon payments on the underling exposure. The Company designates such contracts in a cash flow hedging relationship by applying the hedge accouting principles as per Ind AS. These contarcts are stated at fair value at each reporting date. Changes in the fair value of thease contarcts that are designated and effective as hedges of future cash flows are recognised directly in " cash flow hedge reserve".Hedge accouting is discontinued when the hedging instruments expires or is sold, terminated, or exercised or no longer qualifies for hedge accounting.

(Amount in ₹ Lakhs)

Part I	As at March 31, 2026			
	Notional Amounts	Carrying amount	Change in fair value*	Cash Flow hedge reserve
The impact of hedging instruments(Net)	16,530.15	18,912.60	2,256.56	1,522.52

(Amount in ₹ Lakhs)

Part I	As at March 31, 2025			
	Notional Amounts	Carrying amount	Change in fair value*	Cash Flow hedge reserve
The impact of hedging instruments(Net)	12,943.75	13,463.18	200.89	150.33

(*Line item in the statement of nancial Āpostion-Derrivative nancial ĀAssets)

5. Loans*

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
At Amortised cost		
(A) Term Loans		
Loans	102,446.16	127,417.08
Others	133.35	-
Less: Impairment loss allowance	(5,799.52)	(4,308.25)
Total - Net	**96,779.99**	**123,108.83**
(B) Secured	148.35	-
Unsecured	102,431.16	127,417.08
Less: Impairment loss allowance	(5,799.52)	(4,308.25)
Total - Net	**96,779.99**	**123,108.83**
(C) (I) Loans in india		
(a) Public sector	-	-
(b) Others	102,505.55	127,417.08
(c) Related parties	73.96	-
Total - Gross	**102,579.51**	**127,417.08**
Less: Impairment loss allowance	(5,799.52)	(4,308.25)
Total - Net	**96,779.99**	**123,108.83**
(ii) Loans outside india	-	-
Less: Impairment loss allowance	-	-
Total - Net	-	-
Total	**96,779.99**	**123,108.83**

Notes to Consolidated financial statements for the year ended March 31, 2026

5-A Portfolio classification as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
Considered good	97,424.12	831.57	-	98,255.69
Considered doubtful	-	-	5,253.18	5,253.18
Total#	**97,424.12**	**831.57**	**5,253.18**	**103,508.88**

#Portfolio at gross amount

Portfolio classification as at March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
Considered good	125,070.02	1,570.12	-	126,640.16
Considered doubtful	-		2,627.15	2,627.15
Total#	**125,070.02**	**1,570.12**	**2,627.15**	**129,267.31**

#Portfolio at gross amount

Gross Portfolio Movement for the year ended March 31,2026

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
Gross carrying amount as at April 1, 2025 (A)	**125,070.02**	**1,570.12**	**2,627.15**	**129,267.29**
Inter-stage movements				
Stage I	(7,549.00)	1,303.21	6,245.80	-
Stage II	1.86	(132.40)	130.49	-
Stage III	1.47	1.16	(2.60)	-
(B)	**(7,545.67)**	**1,171.97**	**6,373.69**	**-**
New assets originated, repaid and derecognised during the year (C)	(20,100.23)	(1,910.52)	(3,747.66)	(25,758.41)
Gross carrying amount as at March 31, 2026 (A+B+C)	**97,424.12**	**831.57**	**5,253.18**	**103,508.87**

Gross Portfolio Movement for the year ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
Gross carrying amount as at April 1, 2024 (A)	**182,230.17**	**1,378.87**	**2,898.13**	**186,507.19**
Inter-stage movements				
Stage I	(7,772.32)	3,158.39	4,613.94	-
Stage II	5.01	(38.11)	33.10	-
Stage III	4.42	0.05	(4.46)	-
(B)	**(7,762.89)**	**3,120.32**	**4,642.57**	**-**
New assets originated, repaid and derecognised during the year (C)	(49,397.27)	(2,929.07)	(4,913.56)	(57,239.90)
Gross carrying amount as at March 31, 2025 (A+B+C)	**125,070.02**	**1,570.12**	**2,627.15**	**129,267.29**

Notes to Consolidated financial statements for the year ended March 31, 2026

ECL Movement for the year ended March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
ECL allowance as at April 1, 2025 (A)	**1,375.58**	**942.10**	**1,990.55**	**4,308.25**
Inter-stage movements				
Stage I	(159.99)	13.19	146.80	-
Stage II	1.12	(79.41)	78.29	-
Stage III	0.88	0.70	(1.58)	-
(B)	**(157.99)**	**(65.52)**	**223.50**	**-**
New assets originated, repaid and derecognised during the year (C)	(191.61)	(512.25)	2,195.15	1,491.29
ECL allowance as at March 31, 2026 (A+B+C)	**1,025.98**	**364.33**	**4,409.20**	**5,799.52**

ECL Movement for the year ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Stage I	Stage II	Stage III*	Total
ECL allowance as at April 1, 2024 (A)	**1,974.10**	**797.59**	**2,200.51**	**4,972.20**
Inter-stage movements				
Stage I	(84.80)	33.05	51.75	-
Stage II	2.88	(22.00)	19.12	-
Stage III	2.65	0.03	(2.68)	-
(B)	**(79.26)**	**11.08**	**68.18**	**-**
New assets originated, repaid and derecognised during the year (C)	(519.26)	133.44	(278.14)	(663.96)
ECL allowance as at March 31, 2025 (A+B+C)	**1,375.58**	**942.10**	**1,990.55**	**4,308.25**

6. Investments

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in Others		
Investment in SR-RARC 073 Trust (Units: 61,190 Face Value - Rs.1,000 per unit, NAV - Rs.1,600 per unit) (Previous year: Units: 63,597 Face Value - Rs.1,000 per unit, NAV - Rs.1,528 per unit)	979.04	971.76
Investment in CFMARC TRUST-171 Trust (Units: 6,50,052 Face Value - Rs.1,000, NAV - Rs. 1,000 per unit) per unit invested in March 25) (Previous year: Units: 6,95,360 Face Value - Rs.1,000 per unit invested in March 25 , NAV - Rs. 1,000 per unit)*	4,302.16	6,953.60
	5,281.20	**7,925.36**
(i) Investments outside India	-	-
(ii) Investments in India	5,281.20	7,925.36
Total	**5,281.20**	**7,925.36**

*Includes impairment provision on invesment of 2,198.36 lakhs for current year.

7. Other Financial Assets

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Spread receivable on assigned portfolio	2,154.23	2,354.82
Security deposits (unsecured, considered good)	94.42	112.68
Interest Accrued but not due on portfolio loans	1,491.06	1,984.14
Interest Accrued but not due on deposits placed with banks	427.56	326.65
Interest Accrued but not due on assigned portfolio	568.69	570.26
Other nancial Āassets	83.19	78.51
Total	**4,819.15**	**5,427.05**

Notes to Consolidated financial statements for the year ended March 31, 2026

8. Current Tax Assets (net)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax (net of provisions)	491.05	299.57
Total	**491.05**	**299.57**

9. Deferred Tax Asset (net)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed Assets : Impact of difference between tax depreciation & depreciation/amortization charged for the nancial Āreporting	121.10	78.30
Provision against Portfolio Loans	1,459.62	1,084.30
Provision against DA	94.39	112.92
Provision against SR	553.28	-
Gain/loss on Gratuity actuarial valuation transferred to OCI	20.72	16.99
Gain/loss on fair value of Derrivative instrument transferred to OCI	(517.37)	(69.19)
Gain/loss on SR Investment	(7.90)	(22.74)
Impact of amortised advance cost	185.86	464.99
Impact of ROU asset and Lease liabilities	35.59	20.25
Impact for Compesated absences	119.37	94.77
Impact for Gratuity	96.06	66.29
Impact of Direct assigment	(765.68)	(826.12)
Impact of Business Loss	2,781.86	-
Total	**4,176.90**	**1,020.75**

10-A. PROPERTY, PLANT & EQUIPMENTS AND INTANGIBLE ASSETS

(Amount in ₹ Lakhs)

Particulars	Property, plant and equipment (a)							Intangible assets (b)	
	Motor Car & Vehicle	Furniture & Fittings	Computer & System	Office Equipments	Electrical Installation	Lease hold	Total	Softwares	Total
Cost									
As at 1 April 2024	**11.54**	**382.01**	**1,101.60**	**156.97**	**123.95**	**-**	**1,776.08**	**1,446.58**	**1,446.58**
Additions	-	219.87	157.11	141.54	158.88	194.00	871.39	887.91	887.91
Disposals	-	41.97	6.45	13.64	4.47	-	66.54	-	-
As at 31 March 2025	**11.54**	**559.91**	**1,252.26**	**284.86**	**278.36**	**194.00**	**2,580.93**	**2,334.49**	**2,334.49**
Additions	-	0.15	0.16	4.76	0.81	31.32	37.20	360.49	360.49
Disposals	-	18.62	11.26	3.41	2.85	-	36.13	-	-
As at 31 March 2026	**11.54**	**541.44**	**1,241.17**	**286.22**	**276.32**	**225.31**	**2,582.00**	**2,694.98**	**2,694.98**
Depreciation/amortisation									
As at 1 April 2024	**10.05**	**140.90**	**719.16**	**87.30**	**35.35**	**-**	**992.73**	**490.04**	**490.04**
Depreciation/amortization charge	0.47	87.56	311.03	63.72	41.98	21.52	526.27	634.63	634.63
Disposal	-	21.98	6.23	10.92	2.27	-	41.39	-	-
As at 31 March 2025	**10.52**	**206.48**	**1,023.97**	**140.11**	**75.05**	**21.52**	**1,477.61**	**1,124.67**	**1,124.67**
Depreciation/amortization charge	0.32	93.18	131.16	65.92	55.40	54.56	400.55	626.82	626.82
Disposal	-	13.92	10.76	2.76	1.99	-	29.44	-	-
As at 31 March 2026	**10.84**	**285.74**	**1,144.37**	**203.27**	**128.46**	**76.08**	**1,848.72**	**1,751.49**	**1,751.49**
Net block value:									
As at 31 March 2025	**1.02**	**353.43**	**228.29**	**144.76**	**203.30**	**172.48**	**1,103.32**	**1,209.83**	**1,209.83**
As at 31 March 2026	**0.70**	**255.70**	**96.79**	**82.95**	**147.86**	**149.23**	**733.28**	**943.49**	**943.49**

Note: No revaluation of any class of asset is carried out during the year.

Notes to Consolidated financial statements for the year ended March 31, 2026

10-B. Intangible Assets Under Development

Intangible assets under development	(Amount in ₹ Lakhs)
As at 1 April 2024	**116.03**
Additions	169.68
Disposals/Developed	257.26
As at 31 March 2025	**28.45**
Additions	22.40
Disposals/Developed	50.85
As at 31 March 2026	-

Note: During the year, there was no impairment of assets of the company.

Intangible Assets Under Development	< 1 Year	1 - 2 Years	2-3 Years	> 3 Years
As at 31 March 2026				
Lumen	-	-		
Total	-	-	-	-

Intangible Assets Under Development	< 1 Year	1 - 2 Years	2-3 Years	> 3 Years
As at 31 March 2025				
Lumen	28.45	-		
Total	**28.45**	-	-	-

10-C. Capital work in Progress

Capital work in progress	(Amount in ₹ Lakhs)
As at 31 March 2024	**284.56**
Additions	349.07
Disposals	633.63
As at 31 March 2025	-
Additions	-
Disposals	-
As at 31 March 2026	-

Capital work in progress	< 1 Year	1 - 2 Years	2-3 Years	> 3 Years
As at 31 March 2026				
New Head office Furniture & Fixtures	-	-	-	-
Total	-	-	-	-

Capital work in progress	< 1 Year	1 - 2 Years	2-3 Years	> 3 Years
As at 31 March 2025				
New Head office Furniture & Fixtures	-	-	-	-
Total	-	-	-	-

Notes to Consolidated financial statements for the year ended March 31, 2026

11. Other Non Financial Assets

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	901.68	293.59
Advances to employees	4.68	2.33
Goods and services tax receivables	690.91	284.48
Other advances	348.31	136.00
Total	**1,945.58**	**716.40**

12. Trade Payables

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
(I) Total outstanding dues of creditors Micro enterprises and small enterprises	78.27	93.78
(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	139.56	131.16
Total	**217.83**	**224.94**

As at March 2026

(Amount in ₹ Lakhs)

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 Year	Total
(I) MSME	78.27	-	-	78.27
(ii) Others	139.56	-	-	139.56
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
Total	**217.83**	**-**	**-**	**217.83**

As at March 2025

(Amount in ₹ Lakhs)

Outstanding for following periods from due date of payment	< 6 Months	6 Months - 1 Year	> 1 Year	Total
(I) MSME	93.78	-	-	93.78
(ii) Others	131.16	-	-	131.16
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
Total	**224.94**	**-**	**-**	**224.94**

13. Debt Securities

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
At Amortised cost		
Secured debentures	18,661.34	15,833.34
Total	**18,661.34**	**15,833.34**
Debt securities in India	18,661.34	15,833.34
Debt securities outside India	-	-
Total	**18,661.34**	**15,833.34**

Notes to Consolidated financial statements for the year ended March 31, 2026

Debt securities (at amortised cost)	As at March 31, 2026	As at March 31, 2025
Nil (Mar 31,2025: 2500 Nos) 12.65 % (July 28, 2023 : 2500 Nos) Non Convertible Debentures of Rs 1,00,000/- redeemable in 1st Instalment by August 2025 (Secured)	-	2,500.00
Nil (Mar 31,2025: 12,228 Nos) 12.56% (Nov 24, 2022 : 12228 Nos) Non Convertible Debentures of Rs 10,000/- redeemable in 1st Instalment by November 2025 & in 2nd installment by November 2027 (Secured)	-	1,222.80
Nil (Mar 31,2025: 12,228 Nos) 12.56% (Nov 24 26, 2022 : 12228 Nos) Non Convertible Debentures of Rs 10,000/- redeemable in 1st Instalment by November 2025 & in 2nd installment by November 2027 (Secured)	-	1,222.80
Nil (Mar 31,2025: 320 Nos) 13.80% (Dec 12, 2022 : 320 Nos) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1st Instalment by December 2025 (Secured)	-	3,200.00
4,000 Nos , (Mar 31,2025: Nil Nos) 12.95% (January 28, 2026: 4000 Nos) Non Convertible Debentures of Rs.1,00,000/-redeemable in 1st Instalment by July 2026 (Secured)	4,000.00	-
120 Nos, (Mar 31,2025: 160 Nos) 13.80%% (Sept 26, 2022 : 160 Nos) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1 Instalment by September 2026 (Secured)	1,200.00	1,600.00
2050 Nos, (Mar 31,2025: 2050 Nos) 13.06% (Dec 26, 2023 : 2050 Nos) Non Convertible Debentures of Rs 1,00,000/- redeemable in 1st Instalment by January 2027 (Secured)	2,050.00	2,050.00
4100 Nos, (Mar 31,2025: 4100 Nos.) 13.06% (May 28 , 2024 : 4100 Nos) Non Convertible Debentures of Rs. 1,00,000/- redeemable in 1st Instalment by May 2027. (Secured)	4,100.00	4,100.00
7,390 Nos, (Mar 31,2025: Nil Nos) 11.90% (May 30, 2025: 7390 Nos) Non Convertible Debentures of Rs.1,00,000/- redeemable in 1st Instalment by May 30, 2028 (Secured)	7,390.00	-
Unamortised borrowing cost	(78.66)	(62.26)
Total	**18,661.34**	**15,833.34**

14. Borrowings (Other then Debt Securities)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
At Amortised cost		
(a) Term Loans (Secured)		
(i) from banks	30,577.30	74,301.80
(ii) from other parties (nancial Āinstitutions)	18,516.35	14,285.49
(b) Term Loans (Unsecured)	3,853.28	-
(c) External commercial borrowing	18,870.38	13,375.56
(d) Cash Credit	-	794.10
(e) FDOD	1,177.83	-
Total	**72,995.13**	**102,756.95**
Borrowings in India	54,124.75	89,381.39
Borrowings Outside India	18,870.38	13,375.56
Total	**72,995.13**	**102,756.95**

Notes to Consolidated financial statements for the year ended March 31, 2026

15. Subordinated Liabilities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Term Loans (Unsecured)	7,000.00	7,000.00
(b) Debenture (Unsecured)		
100 Nos (March 31, 2025 100 Nos), 16% (Mar 31,2021: 100) Non Convertible Debentures of Rs 10,00,000/- redeemable in 1 Instalment by June, 2026 (Unsecured)	1,000.00	1,000.00
3000 Nos (March 31, 2025 3,000 Nos), 14.5% (Dec 28,2023 :3000 Nos) Non Convertible Debentures of Rs 1,00,000/- redeemable in 1 Instalment by May, 2029 (Unsecured)	3,000.00	3,000.00
"Unamortised borrowing cost	(116.75)	(155.26)
Total	**10,883.25**	**10,844.74**
Subordinated Liabilities in India	10,883.25	10,844.74
Subordinated Liabilities outside India	-	-
Total	**10,883.25**	**10,844.74**

Details of Debt Securities, Borrowing and Subordinated Liabilities and External Commercial Borrowings

Sr. No.	Particulars	Outstanding Amount in lakhs	Terms of Redemption / Repayment	Security
A)	**Term Loans from Bank**			
1	Bank of Baroda	598.62	Repayble in 30 monthly installment from 30.03.2024 Rate of Interest: Floating Maturity Period:2.5 years No of Installment Due: 5 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
2	Bank of Maharashtra	3,000.00	Repayble in 30 monthly installment from 29.03.2025 Rate of Interest: Floating Maturity Period:2.5 years No of Installment Due: 16 months and 29 days	Secured by hypothecation of book debts created out of the loan availed
3	DCB Bank	1,228.14	Repayble in 26 monthly installment from 31.07.2024 Rate of Interest: Floating Maturity Period:2.2 years No of Installment Due: 5 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
4	Federal Bank	250.00	Repayble in 24 monthly installment from 31.08.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 4 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
5	Federal Bank	750.00	Repayble in 24 monthly installment from 25.09.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 5 months and 25 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Consolidated financial statements for the year ended March 31, 2026

6	Federal Bank	500.00	Repayble in 24 monthly installment from 30.09.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 5 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
7	Federal Bank	1,125.00	Repayble in 24 monthly installment from 18.10.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 6 months and 17 days	Secured by hypothecation of book debts created out of the loan availed
8	Federal Bank	375.00	Repayble in 24 monthly installment from 25.11.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 7 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
9	ICICI Bank	545.45	Repayble in 24 monthly installment from 31.07.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 4 months and 0 days	Secured by hypothecation of book debts created out of the loan availed
10	IDFC First Bank	625.00	Repayble in 24 monthly installment from 30.09.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 5 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
11	IDFC First Bank	625.00	Repayble in 24 monthly installment from 01.10.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 6 months and 0 days	Secured by hypothecation of book debts created out of the loan availed
12	IDFC First Bank	4,166.67	Repayble in 54 monthly installment from 24.06.2025 Rate of Interest: Floating Maturity Period:4.5 years No of Installment Due: 44 months and 23 days	Secured by hypothecation of book debts created out of the loan availed
13	IDFC First Bank	6,875.00	Repayble in 36 monthly installment from 06.12.2025 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 32 months and 5 days	Secured by hypothecation of book debts created out of the loan availed
14	Indian Overseas Bank	733.83	Repayble in 27 monthly installment from 27.02.2024 Rate of Interest: Floating Maturity Period:2.3 years No of Installment Due: 1 months and 26 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Consolidated financial statements for the year ended March 31, 2026

15	Karur Vysya Bank	277.25	Repayble in 27 monthly installment from 28.03.2024 Rate of Interest: Floating Maturity Period:2.3 years No of Installment Due: 2 months and 28 days	Secured by hypothecation of book debts created out of the loan availed
16	State Bank of India	4,211.83	Repayble in 27 monthly installment from 31.05.2024 Rate of Interest: Floating Maturity Period:2.3 years No of Installment Due: 4 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
17	State Bank of Mauritius	2,249.98	Repayble in 24 monthly installment from 30.07.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 15 months and 29 days	Secured by hypothecation of book debts created out of the loan availed
18	Small Industrial Development Bank of India	352.00	Repayble in 36 monthly installment from 30.06.2023 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 2 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
19	Small Industrial Development Bank of India	1,000.00	Repayble in 36 monthly installment from 17.08.2023 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 2 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
20	Small Industrial Development Bank of India	580.65	Repayble in 36 monthly installment from 29.12.2023 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 8 months and 28 days	Secured by hypothecation of book debts created out of the loan availed
21	Small Industrial Development Bank of India	1,567.00	Repayble in 36 monthly installment from 16.01.2024 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 9 months and 16 days	Secured by hypothecation of book debts created out of the loan availed
22	IDFC First Bank	5000.00	Repayble in 66 monthly installment from 31.03.2024 Rate of Interest: Floating Maturity Period:5.5 years No of Installment Due: 41 months and 15 days	Unsecured
	Total From Term loan from Bank-(A)	**36,636.41**		

Notes to Consolidated financial statements for the year ended March 31, 2026

B)	Term loans from NBFC			
1	Arohan Financial Services Limited	1,594.26	Repayble in 24 monthly installment from 25.04.2025 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 11 months and 22 days	Secured by hypothecation of book debts created out of the loan availed
2	Arohan Financial Services Limited	539.68	Repayble in 12 monthly installment from 30.08.2025 Rate of Interest: Floating Maturity Period:1 years No of Installment Due: 4 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
3	Arohan Financial Services Limited	2,318.97	Repayble in 24 monthly installment from 26.09.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 17 months and 26 days	Secured by hypothecation of book debts created out of the loan availed
4	Arohan Financial Services Limited	844.94	Repayble in 18 monthly installment from 31.12.2025 Rate of Interest: Floating Maturity Period:1.5 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
5	Maanaveeya Development & Finance Pvt Ltd	1,036.20	Repayble in 24 monthly installment from 20.01.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 8 months and 19 days	Secured by hypothecation of book debts created out of the loan availed
6	MAS Financial Services Ltd	250.00	Repayble in 24 monthly installment from 30.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
7	MAS Financial Services Ltd	250.00	Repayble in 24 monthly installment from 30.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
8	MAS Financial Services Ltd	250.00	Repayble in 24 monthly installment from 30.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Consolidated financial statements for the year ended March 31, 2026

9	MAS Financial Services Ltd	250.00	Repayble in 24 monthly installment from 30.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 14 months and 30 days	Secured by hypothecation of book debts created out of the loan availed
10	MAS Financial Services Ltd	333.33	Repayble in 24 monthly installment from 23.07.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 15 months and 22 days	Secured by hypothecation of book debts created out of the loan availed
11	MAS Financial Services Ltd	333.33	Repayble in 24 monthly installment from 23.07.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 15 months and 22 days	Secured by hypothecation of book debts created out of the loan availed
12	Nabsamruddhi Finance Ltd	808.46	Repayble in 24 monthly installment from 31.12.2024 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 8 months and 29 days	Secured by hypothecation of book debts created out of the loan availed
13	Northern Arc Capital Ltd	1,250.00	Repayble in 24 monthly installment from 05.03.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 10 months and 1 days	Secured by hypothecation of book debts created out of the loan availed
14	Northern Arc Capital Ltd	1,250.00	Repayble in 24 monthly installment from 05.03.2025 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 10 months and 3 days	Secured by hypothecation of book debts created out of the loan availed
15	Northern Arc Capital Ltd	2,625.00	Repayble in 24 monthly installment from 29.09.2025 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 17 months and 29 days	Secured by hypothecation of book debts created out of the loan availed
16	Northern Arc Capital Ltd	2,000.00	Repayble in 24 monthly installment from 11.03.2026 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 23 months and 13 days	Secured by hypothecation of book debts created out of the loan availed
17	Oxyzo Financial Services Pvt Ltd	833.33	Repayble in 24 monthly installment from 25.01.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 9 months and 0 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Consolidated financial statements for the year ended March 31, 2026

18	Oxyzo Financial Services Pvt Ltd	1,333.33	Repayble in 24 monthly installment from 26.06.2025 Rate of Interest: Floating Maturity Period:2 years No of Installment Due: 15 months and 4 days	Secured by hypothecation of book debts created out of the loan availed
19	Vivriti Capital Limited	1,000.00	Repayble in 27 monthly installment from 11.12.2025 Rate of Interest: Floating Maturity Period:2.3 years No of Installment Due: 23 months and 9 days	Secured by hypothecation of book debts created out of the loan availed
20	Maanaveeya Development & Finance Pvt Ltd	2,000.00	Repayble in 72 monthly installment from 23.01.2022 Rate of Interest: Fixed Maturity Maturity Period:6 years No of Installment Due: 19 months and 23 days	Unsecured
21	Annapurna Finance Private Limited	3,853.28	Repayble in 24 monthly installment from 20.02.2026 Rate of Interest: Fixed Maturity Period:2 years No of Installment Due: 22 months and 29 days	Unsecured
	Total From Term Loan from NBFC-(A)	**24,954.12**		
C)	**Non-Convertible Debentures (Secured)**			
1	Japan Asean Women Empowerment Fund SA,SICAV-SIF	1,200.00	Repayble in 36 monthly installment from 27.03.2023 Rate of Interest: Floating Maturity Period:3 years No of Installment Due: 5 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
2	Developing World Markets	2,050.00	Repayble in 36 monthly installment from 26.03.2024 Rate of Interest: Fixed Maturity Period:3 years No of Installment Due: 8 months and 25 days	Secured by hypothecation of book debts created out of the loan availed
3	Developing World Markets	4,100.00	Repayble in 36 monthly installment from 28.08.2024 Rate of Interest: Fixed Maturity Period:3 years No of Installment Due: 13 months and 27 days	Secured by hypothecation of book debts created out of the loan availed
4	Responsibility UTI International Wealth Creator 4	7,390.00	Repayble in 36 monthly installment from 30.05.2025 Rate of Interest: Fixed Maturity Period:3 years No of Installment Due: 25 months and 29 days	Secured by hypothecation of book debts created out of the loan availed

Notes to Consolidated financial statements for the year ended March 31, 2026

5	Vivriti Capital Limited	4,000.00	Repayble in 30 monthly installment from 28.01.2026 Rate of Interest: Fixed Maturity Period:2.5 years No of Installment Due: 27 months and 27 days	Secured by hypothecation of book debts created out of the loan availed
	Total From Non-Convertible Debentures(Secured)-(C))	**18,740.00**		
D)	**Non-Convertible Debentures (Unsecured)**			
1	Northern Arc Capital Ltd	860.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
2	DISKLAYER TECHNO PVT LTD	20.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
3	MANISH CHANDRA NIGAM HUF	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
4	RIDDHI BAID	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
5	SANJAYKUMAR AGARWAL	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
6	SARLA C. PATEL	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
7	SHARAT JAIN	10.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured

Notes to Consolidated financial statements for the year ended March 31, 2026

8	SOFTACULOUS LIMITED	70.00	Repayble in 63 monthly installment from 31.01.2022 Rate of Interest: Fixed Maturity Period:5.3 years No of Installment Due: 2 months and 30 days	Unsecured
9	A K Capital Finance Ltd	3,000.00	Repayble in 65 monthly installment from 31.01.2024 Rate of Interest: Fixed Maturity Period:5.4 years No of Installment Due: 37 months and 27 days	Unsecured
	Total From Non-Convertible Debentures(Unsecured)- (D)	**4,000.00**		
E) External commercial borrowings				
1	responsAbility SICAV (LUX) Financial Inclusion Fund	2,844.00	Repayble in 72 monthly installment from 15.12.2023 Rate of Interest: Fixed Maturity Period:6 years No of Installment Due: 38 months and 14 days	Secured by hypothecation of book debts created out of the loan availed
2	responsAbility SICAV (LUX) Micro and SME Finance Leaders	1,422.00	Repayble in 72 monthly installment from 15.12.2023 Rate of Interest: Fixed Maturity Period:6 years No of Installment Due: 38 months and 14 days	Secured by hypothecation of book debts created out of the loan availed
3	responsAbility SICAV (LUX) Micro and SME Finance Debt Fund	2,844.00	Repayble in 72 monthly installment from 15.12.2023 Rate of Interest: Fixed Maturity Period:6 years No of Installment Due: 38 months and 14 days	Secured by hypothecation of book debts created out of the loan availed
4	Japan Asean Women Empowerment Fund SA,SICAV-SIF	4,740.00	Repayble in 48 monthly installment from 27.12.2023 Rate of Interest: Fixed Maturity Period:4 years No of Installment Due: 14 months and 28 days	Secured by hypothecation of book debts created out of the loan availed
5	Grameen Credit Agricole Foundation	3,270.60	Repayble in 48 monthly installment from 11.04.2024 Rate of Interest: Fixed Maturity Period:4 years No of Installment Due: 24 months and 12 days	Secured by hypothecation of book debts created out of the loan availed
6	Global Gender Smart Fund (Incon) Ā	3,792.00	Repayble in 36 monthly installment from 19.12.2025 Rate of Interest: Fixed Maturity Period:3 years No of Installment Due: 32 months and 18 days	Secured by hypothecation of book debts created out of the loan availed
	Total From External Commercial Borrowings-(E)	**18,912.60**		

Notes to Consolidated financial statements for the year ended March 31, 2026

E) FOOD			
1	State Bank of India	1,177.41	Secured by Fixed Deposit
2.	IDFC First Bank	0.42	Secured by Fixed Deposit
	Total From FDOD -(F)	**1,177.83**	

G)	**Hedging**		
1	Federal Bank	2,171.46	Secured by hypothecation of book debts created out of the loan availed
	Total From Hedging Explosure (G)	2,171.46	
	GRAND TOTAL (A+B+C+D+E+F)	**104,420.95**	

16. Other Financial Liabilities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest Accrued But Not Due on Borrowings	968.19	856.87
Dues to the assignees towards collections from assigned receivables	4,573.05	4,736.60
Other Payable	33.53	15.83
Total	**5,574.78**	**5,609.30**

17. Provisions

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity	381.67	263.38
Provision for compensated absences	474.29	376.57
Provision for Expenses	167.37	428.94
Other Provision	72.91	65.40
Total	**1,096.23**	**1,134.28**

18. Other Non Financial Liabilities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Employee Benets ĀPayable	395.10	1,053.48
Statutory Dues Payable	364.08	419.06
Total	**759.19**	**1,472.54**

Notes to Consolidated financial statements for the year ended March 31, 2026

19. Share Capital

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Share Capital		
Equity Share		
6,31,80,000 (Mar 31,2025 6,31,80,000) Equity Shares of Rs 10 each	6,318.00	6,318.00
Preference Share		
2,13,20,000 (Mar 31, 2025 2,13,20,000) Preference Share of Rs 10 each	2,132.00	2,132.00
3,50,00,000 (Mar 31, 2025 3,50,00,000) Preference Share of Rs 20 each	7,000.00	7,000.00
Total Authorised Share Capital	**15,450.00**	**15,450.00**
Issued, Subscribed and Fully Paid-up Share Capital		
Equity Share		
2,50,50,009 (Mar 31, 2025: 2,50,50,009) Equity Shares of Rs 10 each	2,505.00	2,505.00
Compulsory Convertible Preference Share		
82,65,801 (Mar 31, 2025 82,65,801) Compulsory Convertible Preference Shares (CCPS Series A) of Rs 10 each bearing coupon dividend rate of 0.001%)	826.58	826.58
1,25,61,572 (Mar 31, 2025 1,25,61,572) Compulsory Convertible Preference Shares (CCPS Series A1) of Rs 10 each bearing coupon dividend rate of 0.001%)	1,256.16	1,256.16
3,09,59,699 (Mar 31, 2025 3,09,59,699) Compulsory Convertible Preference Shares (CCPS Series B) of Rs 20 each bearing coupon dividend rate of 0.001%)	6,191.94	6,191.94
Total Paid up Share Capital	**10,779.68**	**10,779.68**

Total Issued, Subscribed and Fully Paid-up Share Capital

(a) (i) Reconciliation of the number of Equity shares and amount outstanding at the beginning and at the end of the year

Particulars	As at March, 31 2026		As at March, 31 2025	
	No. of Shares	(₹)	No. of Shares	(₹)
At the beginning of the Period	25,050,009	2,505.00	25,050,009	2,505.00
Issued During the Period	-	-	-	-
Outstanding at the end of the Period	**25,050,009**	**2,505.00**	**25,050,009**	**2,505.00**

(a) (ii) Reconciliation of the number of Compulsory Convertible Preference shares and amount outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March, 31 2025	
	No. of Shares	(₹)	No. of Shares	(₹)
At the beginning of the Period	51,787,072	8,274.68	51,787,072	8,274.68
Issued During the Period	-	-	-	-
Outstanding at the end of the Period	**51,787,072**	**8,274.68**	**51,787,072**	**8,274.68**

Notes to Consolidated financial statements for the year ended March 31, 2026

(b) Details of Shareholders holding more than 5% shares:

(Amount in ₹ Lakhs)

Class of shares / Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs.10 each fully paid				
Deepak I. Amin	12,899,999	51.50%	12,899,999	51.50%
Kaushik I. Amin	5,888,065	23.51%	5,888,065	23.51%
VARK NAL Holdings Inc.	5,531,935	22.08%	5,531,935	22.08%
Compulsory Convertible preference shares (CCPS Series A) of Rs.10 each fully paid				
NMI Fund IV KS	2,755,267	5.32%	2,755,267	5.32%
Pettelaar Effectenbewaarbedrijf N.V.	2,755,267	5.32%	2,755,267	5.32%
Agrif Cooperatief UA	2,755,267	5.32%	2,755,267	5.32%
Compulsory Convertible preference shares (CCPS Series A1) of Rs.10 each fully paid				
NMI Fund IV KS	5,491,579	10.60%	5,491,579	10.60%
Pettelaar Effectenbewaarbedrijf N.V.	3,530,630	6.82%	3,530,630	6.82%
Agrif Cooperatief UA	3,539,363	6.83%	3,539,363	6.83%
Compulsory Convertible preference shares (CCPS Series B) of Rs.20 each fully paid				
British International Investment plc	11,628,999	22.46%	11,628,999	22.46%
NMI Fund IV KS	9,985,780	19.28%	9,985,780	19.28%
Pettelaar Effectenbewaarbedrijf N.V.	6,825,723	13.18%	6,825,723	13.18%

(c) Details of Shareholding of Promoters

Class of shares / Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs.10 each fully paid				
Deepak I. Amin	12,899,999	51.50%	12,899,999	51.50%

(d) Compulsory Convertible Preference shares Conversion Terms :

Type of Shares	Conversion Ratio	Conversion period
CCPS Series A	8 Equity shares against 10 CCPS each	At the demand of CCPS holder subject to Reserve Bank of India Approval.
CCPS Series A1	1 Equity shares against 1 CCPS each	The conversion should be done within 20 years from the date of allotment.
CCPS Series B	1 Equity shares against 1 CCPS each	

(e) The Company has issued only one class of shares referred to as Equity Shares having a par value of Rs 10/-. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend as and when declared. All shares rank equally with regard to the Company's residual assets.

Notes to Consolidated financial statements for the year ended March 31, 2026

20. Other Equity

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory Reserve		
Balance as per the beginning of the year	2,754.60	2,668.40
Add: Amount Transferred from balance in the statement of prot Āand loss u/s 45 IC of Reserve Bank of India Act, 1934	-	86.20
Closing Balance	**2,754.60**	**2,754.60**
Security Premium		
Balance as per the last nancial Āstatements	18,575.95	18,575.95
Closing Balance	**18,575.95**	**18,575.95**
Share Options Outstanding Account		
Balance as per the beginning of the year	281.58	198.82
Add: Reserve added during the year Option Granted	174.57	82.75
Closing Balance	**456.15**	**281.58**
Money received against share warrants		
Balance as per the beginning of the year	28.30	28.30
Add: Share warrant received	-	-
Closing Balance	**28.30**	**28.30**
Surplus		
Surplus at the beginning of the year	8,178.94	7,783.61
Add: Surplus for the period	(9,246.43)	636.73
Less: Cash flow hedge reserve	(1,538.30)	(205.72)
Add: Remeasurement of Dened ĀBenet ĀPlan	61.60	50.52
Less: Transfer to Statutory Reserves u/s 45 IC of Reserve Bank of India Act, 1934	-	(86.20)
Closing Balance	**(2,544.19)**	**8,178.94**
Other comprehensive Income		
Surplus at the beginning of the year	45.82	(109.39)
Cashflow hedge reserve	1,538.30	205.72
Remeasurement of Dened ĀBenet ĀPlan	(61.60)	(50.52)
Closing Balance	**1,522.52**	**45.82**
Total Reserves and Surplus	**20,793.33**	**29,865.18**

Nature and purpose of reserve

Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)

Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of prot Āfor the year, as per section 45-IC of Reserve Bank of India Act 1934.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The share option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

Retained earnings

Retained earnings are the prots Āthat the Company has earned till date, less any transfers to statutory reserve, general reserve or any other such other appropriations to specic Āreserves.

Money received against share warrants

On 20th January,2024, the Company has allotted 42,87,511 share warrants, each exchangeable into 1 equity share of the Company at an exercise price of INR 66/- per share warrants, of which an initial warrant subscription amount of INR 0.66 per share warrant has been received at the time of allotment.

Cashflow hedge reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Notes to Consolidated financial statements for the year ended March 31, 2026

21. Interest Income

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
At Amortised Cost		
Interest Income on Portfolio Loans	28,891.21	41,449.45
Total	**28,891.21**	**41,449.45**

22. Other Operating Income

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
On Financial assets held at Amortised Cost		
Interest on assignment transaction	4,622.27	6,215.75
Fees & Commission Income	20.32	11.28
Interest on deposits with banks	629.26	514.38
Total	**5,271.85**	**6,741.41**

23. Other Income

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Unrealised gain on investment in SR	31.38	-
Prot Āon sale of mutual fund units		
Realised	609.74	1,257.08
Prot Āon sale of fixed assets	0.46	0.01
Miscellaneous Income	53.03	45.05
Total	**694.61**	**1,302.15**

24. Finance Cost

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
At Amortised Cost		
Interest on debt securities	2,459.25	2,481.35
Interest on Borrowings	9,251.42	14,012.64
Interest on subordinate liabilities	1,672.50	1,668.44
Interest on External commercial borrowing	1,404.78	1,333.18
Lease liability interest obligation	117.53	84.26
Foreign Exchange Fluctuation	1,863.06	363.78
Other charges	1,123.45	996.15
Total	**17,891.99**	**20,939.80**

25. Impairment Of Financial Instruments

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Impairment/(Reversal) of Impairment on Financial Instruments*	3,615.98	(457.28)
Net loss on derecognition of nancial Āinstruments under amortised cost category#	6,669.32	5,440.17
Total	**10,285.30**	**4,982.89**

*Includes impairment provision on loan & advance of 1,491.26 lakhs, provision on investment of Rs.2,198.36 lakhs and provision on other nancial Āassets of Rs.(Rs. 73.64 lakhs) for current year.

Impairment provision on loan & advance of (Rs.663.94 lakhs) , provision on trade receivable of (Rs.0.01 lakhs) and provision on other nancial Āassets of Rs.206.67 for previous year.

#The net loss on derecognition of nancial Āinstruments amounts to Rs. 5,440.17 lakhs, from a total write-off of Rs. 10,089.21 lakhs after adjusting for gain of Rs. 4,649.04 lakhs from the ARC transaction, in the previoys year.

Notes to Consolidated financial statements for the year ended March 31, 2026

26. Employee Benet ĀExpense

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Salaries and wages	12,132.97	14,502.20
Contribution to provident and other funds	1,149.46	1,259.25
Expense on Employee Stock Option Scheme (ESOP)	174.57	82.75
Staff Welfare Expenses	512.08	554.62
Total	**13,969.08**	**16,398.82**

27. DEPRECIATION & AMORTIZATION EXPENSES

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
On property, plant and equipment	400.55	526.27
On intangible assets	626.82	634.63
On right of use assets	127.66	217.28
Total	**1,155.03**	**1,378.18**

28. Other Expenses

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Advertisement Expenses	0.31	0.79
Communication Expenses	413.06	399.83
Travelling & Conveyance Expenses	1,262.33	1,899.51
Corporate Social Responsibility Expenses	80.16	79.52
Electricity Expenses	81.27	83.90
Insurance Expenses	12.48	7.87
Office Expenses	175.68	272.35
Legal Expenses	5.82	3.74
Postage & Courier	31.42	54.74
Professional Fees	2,378.16	1,077.68
Rent Expenses	524.90	554.59
Repairs & Maintenance Expenses	41.66	45.14
Rates and Taxes	456.52	234.94
Stationery and Printing Expenses	31.32	44.12
Payment to Auditors (as per note below)	26.33	26.09
Director Sitting Fees	28.00	22.50
Loss on investment in SR	-	5.83
Digital Collection Commission	406.54	16.58
Miscellaneous Expenses	109.35	222.52
Total	**6,065.31**	**5,052.26**

Breakup of Payments to Auditors

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Statutory Audit Fee	14.20	12.50
Limited review Fee	7.75	6.50
Certication ĀFee	3.60	5.45
Other matters	0.78	1.64
TOTAL	**26.33**	**26.09**

Notes to financial statements for the year ended 31 March, 2026

NOTE 29: NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

a. Tax expenses

(Amount in ₹ Lakhs)

Income tax recognised in the Statement of Profit and Loss:	2025-2026	2024-2025
Current tax	-	133.11
Deferred tax (credit)	(3,652.80)	76.37
Tax expense of earlier years	(133.11)	50.06
Total	**(3,785.91)**	**259.54**

(Amount in ₹ Lakhs)

Income tax recognised in other comprehendsive income	2025-2026	2024-2025
Deferred tax arising on re-measurement gain on dened Ābenet Āplans	20.72	16.99
Deferred tax arising on derivative nancial Āinstruments	(517.37)	(69.19)
Total	**(496.65)**	**(52.20)**

(Amount in ₹ Lakhs)

Reconciliation of income tax expense and the accounting profit for the year:	2025-2026	2024-2025
Prot/ Ā(loss) before tax	(14,509.04)	741.06
Enacted tax rates (%)	25.17%	25.17%
Income tax expense calculated at corporate tax rate	-	186.51
Reconciliation items		
Tax impact of expenses not deductible/ additional tax allowance	-	(53.40)
Impact of tax relating to the earlier year	(133.11)	50.06
Impact on account of deductions claimed under Income Tax Act	-	-
Others – Deferred Tax	(4,176.90)	76.37
	(4,310.01)	**259.54**

B. Earnings per Share

(Amount in ₹ Lakhs)

Particulars		2025-2026	2024-2025
(a)	Net prot Āafter tax as per Statement of Prot Āand Loss	(10,723.13)	481.52
(b)	Weighted average number of equity shares for basic EPS	250.50	250.50
(c)	Weighted average number of equity shares for diluted EPS	760.11	761.77
(d)	Basic Earnings per Share (in rupees) (a/b)	(42.81)	1.92
(e)	Diluted Earnings per Share (in rupees) (a/c)	(42.81)	0.81

C. Foreign Currency Transactions

(Amount in ₹ Lakhs)

Particulars	Currency	2025-2026	2024-2025
Expenditure in Foreign Currency- MIS Infrastructure Expenses and other Expenses	US Dollars	53,055.52	1,43,869.73
	Euro	3,783.00	396.00
	Indian Rupees (in lakh)	50.10	121.91
Expenditure in Foreign Currency- processing Fees and other finance charges	US Dollars	-	49,075.00
	Euro	-	30,000.00
	Indian Rupees (in lakh)	-	67.40
Expenditure in Foreign Currency-Finance cost(interest)	US Dollars	11,41,680.09	12,76,950.96
	Euro	1,95,000.00	99,904.11
	Indian Rupees (in lakh)	1,200.82	1,167.65
Earning in Foreign Currency	-	-	-

Notes to financial statements for the year ended 31 March, 2026

D. Segment Reporting

The Company operates in a single business segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108 on 'Operating segments' notied Ā under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The Company operates in a single geographical segment i.e. domestic.

E. Lease

The Company has entered into agreements for taking its office premises under lease and license arrangements. The carrying amounts of right-of-use of assets recognised and the movements during the period are as follows:

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025
Balance at the beginning of the year	1,042.24	332.85
Modication Āin Lease term		
Additions made during the year	-	1,100.13
Deletions during the year	(38.54)	(173.46)
Depreciation charged during the year	(127.67)	(217.28)
Balance at the end of the year	**876.03**	**1,042.24**

The carrying amounts of lease liabilities and the movements during the period are as follows:

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025
Balance at the beginning of the period	1,122.69	414.85
Modication Āin Lease term		
Additions made during the year	-	888.39
Deletion during the year	38.54	-
Interest accretion for the year	117.52	84.26
Payments made during the year	184.23	264.81
Balance at the end of the year	**1,017.44**	**1,122.69**

Total lease liabilities are analysed as follows:

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025
Current	66.67	75.39
Non-Current	950.77	1047.30
Total	**1,017.44**	**1,122.69**

The followings are the amounts recognised in profit and loss:

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025
Depreciation expense in respect of right-of-use-of-asset	127.66	217.28
Interest Expense in respect of lease liabilities	117.52	84.26
Total amount recognised in prot and loss Ā	**245.18**	**301.54**

The following are the undiscounted contractual cash flows of lease liabilities. The payment prole Ā has been based on management's forecasts and could be different from expectations:

(Amount in ₹ Lakhs)

Maturity Analysis	2025-2026	2024-2025
Less than 1 year	66.67	75.39
Between 1 and 2 years	85.30	88.50
Between 2 and 5 years	865.47	958.80
Total	**1,017.44**	**1122.69**

Notes to financial statements for the year ended 31 March, 2026

F. Related Party Disclosures

Names of related parties under Ind AS 24 with whom transactions have taken place during the year

Sr. No.	Name	Relationship
1.	Mr. Deepak Amin	Managing Director
2.	Mr. Rakesh Kumar	Chief Executive Officer and Executive Director
3.	Mr. Aviral Saini	Chief Financial Officer and Executive Director
4.	Mr. Chandan Sinha (up to August 14,2024)	Independent Director
4.	Mr. Anuj Kumar(up to December1,2025)	Independent Director
5.	Ms. Daksha Shah	Independent Director
6.	Mr. Aditya Bhandari (up to April 8,2025)	Nominee Director
7.	Ms. Parul Hariharan	Nominee Director
8.	Mr. Arvind Kodikal	Nominee Director
9.	Ms. Lise Lindback (from May 27,2025)	Nominee Director
10.	Mr. Hiten Parikh (from January 30,2026)	Additional Independent Director
11.	Mr. Paresh Vora	Independent Director
12.	Ms. Madhavi Gajjar	Chief Compliance Officer and Company Secretary

Transactions with related parties

Related party	Nature of Transactions	Transactions	
		2025-26	2024-25
Mr. Chandan Sinha	Sitting Fees	-	6.00
Mr. Anuj Kumar	Sitting Fees	9.50	12.50
Mrs. Daksha Shah	Sitting Fees	8.50	4.00
Mr. Paresh Vora	Sitting Fees	8.00	-
Mr. Hiten Parikh	Sitting Fees	2.00	-
Mr. Deepak Amin	Salary + Incentive	320.65	253.00
Mr. Rakesh Kumar	Salary + Incentive	254.08	215.03
	Secured Car Loan given		
	ROI - 2% p.a. Tenure - 84 months	36.25	-
	Car Loan repaid	3.64	-
	Interest income received on Car Loan	0.52	-
	Car Loan Outstanding	32.61	-
Mr. Aviral Saini	Salary + Incentive	233.09	186.33
	Secured Car Loan given		
	ROI - 2% p.a.		
	Tenure - 84 months	47.14	-
	Car Loan repaid	5.79	-
	Interest income received on Car Loan	0.83	-
	Car Loan Outstanding	41.35	-
Ms. Madhavi Gajjar	Salary + Incentive	28.80	18.88

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for The Holding Company as a whole.

Notes to financial statements for the year ended 31 March, 2026

Exposure to Related Parties

Details of exposures to related parties as dened Āin Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025 shall be disclosed as per the following table:

Sr. No.	Particulars	March 31,2026	March 31,2025
A.	Loans to Related Partied		
1	Aggregate value of loans sanctioned to related parties during the year	83.40	-
2	Aggregate value of outstanding loans to related parties during the year	73.96	-
3	Aggregate value of outstanding loans to related parties as proportion of total credit exposure	0.08%	-
4	Aggregate value of outstanding loans to related parties which are categorized as:		
	(i) Special Mention Accounts as on 31st March	-	-
	(ii) Non-Performing Assets as on 31st March	-	-
5	Amount of provisions held in respect of loans to related parties	0.53	-
B.	**Contracts and Arrangements involving Related Parties**		
6	Aggregate value of contracts and arrangements awarded to related parties during the year	-	-
7	Aggregate value of outstanding contracts and arrangements involving related parties	-	-

G. Revenue from Contracts with Customers

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to the statement of prot Āand loss:

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Type of Income		
Others	20.32	11.28
Total revenue from contracts with customers	**20.32**	**11.28**
Geographical markets		
India	20.32	11.28
Outside India	-	-
Total revenue from contracts with customers	**20.32**	**11.28**
Timing of revenue recognition		
Services transferred at a point in time	20.32	11.28
Services transferred over time	-	-
Total revenue from contracts with customers	**20.32**	**11.28**

H. Contingent Liabilities & Capital commitments

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
(A) Contingent Liabilities		
Performance Security provided by the Company pursuant to business Correspondent / service provider agreement	Nil	Nil
Cash collateral given and outstanding for the assigned Loans	Nil	Nil
Claims against the Company not acknowledged as debt:		
- Tax matter in dispute under appeal	Nil	Nil
(B) Capital Commitments		
- Capital work in progress	Nil	Nil

Notes to financial statements for the year ended 31 March, 2026

I. Fair Value Measurement

Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principle(or most advantageous)market at the measurement date under current market conditions(i.e. an exit price),regardless of whether that price is directly/indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived; nancial Ā instruments are classied Ā based on a hierarchy of valuation techniques.

Fair value hierarchy of Asset and Liabilities measured at fair value

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2026		
	Level 1	Level 2	Level 3
At fair value through OCI			
Derivative Assets Forward currency swaps	-	2,256.56	-
At fair value through Prot Āand Loss			
Investments			
- Security Receipts	-	-	5,281.20
- Mutual Funds	-	-	-
Total	**-**	**2,256.56**	**5,281.20**

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2025		
	Level 1	Level 2	Level 3
At fair value through OCI			
Derivative Liabilities Forward currency swaps	-	200.89	--
At fair value through Prot Āand Loss			
Investments			
-Security Receipts	-	-	7,925.36
-Mutual Funds		-	-
Total	**-**	**200.89**	**7,925.36**

Fair Value hierarchy of Asset and Liabilities not measured at fair value

The management assessed that carrying value of nancial Āasset and nancial Āliabilities are a reasonable approximation of their fair value and hence carrying values are deemed to be fair values.

J. Capital Management

The primary objectives of The Holding Company's capital management policy is to ensure that The Holding Company complies with capital adequacy requirements required by the Reserve Bank of India and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

The Holding 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 The Holding company 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.

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Total Debt	1,02,539.72	1,29,435.04
Total equity	31,572.99	40,644.86
Debt to equity ratio	3.25	3.18

The Liquidity Coverage Ratio (LCR) is not applicable to the Company as the asset size of the Company is less than Rs. 5,000 Crores as per Reserve Bank of India guidelines.

Notes to financial statements for the year ended 31 March, 2026

K. Retirement benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benet Āas under

(i) Dened ĀContribution Plans

Provident and other funds

The Holding Company makes contributions, determined as a specied Āpercentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are dened Ā contribution plans. The Holding Company has no obligations other than this to make the specied Ācontributions. The contributions are charged to the Statement of Prot Āand Loss as they accrued.

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Employers' contribution to provident and other fund	1,231.78	1,326.76

(ii) Dened ĀBenet ĀPlan

Grauitity

The Holding Company has a dened Ā benet Ā gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and managed by Life Insurance Companies. The liability of Gratuity is recognized on the basis of actuarial valuation.

The following tables summarize the components of net benet Āexpense recognised in the statement of prot Āand loss and the amounts recognised in the Balance Sheet for the gratuity plan.

Movement in Dened ĀBenet ĀObligations

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Dened Ābenet Āobligations as at the beginning of Year	289.78	208.69
Current Service Cost	45.36	31.02
Interest on dened Ābenet Āobligations	18.95	14.84
Re-measurements - Actuarial (Gain)/Loss on total Liabilities	82.27	64.08
Benets Āpaid	(34.61)	(28.85)
Dened Ābenet Āobligations as at the end of Year	**401.75**	**289.78**

Amount recognised in balance sheet

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Present Value of Benet ĀObligation at the end of the Period	(401.75)	(289.78)
Fair value of plan assets at the end of the period	20.09	26.40
Funded Status (Surplus/ (Decit)) Ā	(381.67)	(263.38)
Net dened Ābenet Āliability recognised in balance sheet	**(381.67)**	**(263.38)**

Notes to financial statements for the year ended 31 March, 2026

Expense charged to the statement of prot Āand loss

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Current service cost	45.36	31.02
Net Interest Cost	17.22	10.94
Expenses Recognized	62.58	41.96

Re-measurement (gain)/loss in other comprehensive income

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Actuarial (Gains)/Losses on Obligation For the Year	82.27	64.08
Return on Plan Assets, Excluding Interest Income	0.05	3.43
Change in Asset Ceiling	Nil	Nil
Net (Income)/Expense For the Year Recognized in OCI	82.32	67.51

Summary of Actuarial Assumptions

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Discount rate	5.72%	6.54%
Rate of Increase in compensation levels	7.00%	7.00%
Retirement age (years)	60 years	60 years

A quantitative sensitivity analysis for signicant Āassumptions as at the balancesheet date are as shown below:

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Dened ĀBenet ĀObligation on Current Assumptions	401.75	289.78
Delta Effect of +1% Change in Rate of Discounting	(5.06)	(3.96)
Delta Effect of -1% Change in Rate of Discounting	5.27	4.14
Delta Effect of +1% Change in Rate of Salary Increase	4.82	3.67
Delta Effect of -1% Change in Rate of Salary Increase	(4.71)	(3.58)
Delta Effect of +1% Change in Rate of Employee Turnover	(3.51)	(3.08)
Delta Effect of -1% Change in Rate of Employee Turnover	3.60	3.18

Maturity Prole Āof Dened ĀBenet ĀObligation

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
1st Following Year	167.52	105.23
2nd Following Year	97.68	81.41
3rd Following Year	66.24	48.80
4th Following Year	46.25	34.21
5th Following Year	26.98	23.80
Sum of years 6 to 10	29.31	25.86
After 11 years and above	1.29	1.14

Discount rate: The discount rate is based on government bond yields as at the balancesheet date for theestimated term of the obligations.

Salary escalation rate: The estimate of future salary increases considered taking intoaccount theinflation, seniority, promotion and other relevant factors.

Notes to financial statements for the year ended 31 March, 2026

L. Micro, Small and Medium Enterprises

Based on and to the extent of the information received by The Holding Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act,2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act")are given below.

(Amount in ₹ Lakhs)

	Particulars	2025-26	2024-25
(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year;	78.27	93.78
(b)	The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	NIL	NIL
(c)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specied Āunder the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

M. Risk Management & nancial Āobjectives.

Risk is an integral part of The Holding Company's business and sound risk management is critical to its success. The Holding Company's acitivities are exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Holding Company continuously identies Āpotential risks in advance, analyzes them and takes precautionary steps to reduce/curb the risk. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis. Major risks identied Āby the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Holding Company assumes following risks (i.e. Credit risk, Liquidty risk, Market risk and Operation risk) in the normal course of business.

☞ **Credit Risk**

Credit risk is the risk of nancial Āloss to The Holding Company if a customer or counterparty to a nancial Ā instrument fails to meet its contractual obligations, and arises principally from The Holding Company's asset on finance. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk.

The Holding Company also follows a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; socio-economic and law and order risks in the proposed area. Further, client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to conrm that they meet ĀThe Holding Company's criteria.

The Holding Company is a rural focused NBFC with a geographically diversied Āpresence in India and offers income generation loans under the joint liability group model, predominantly to women from low-income households in rural areas. Further, as it focuses on providing micro-loans in rural areas, The Holding Company's results of operations are affected by the performance and the future growth potential of microfinance in rural India. The

Notes to financial statements for the year ended 31 March, 2026

Holding Company's clients typically have limited sources of income, savings and credit histories and the loans are typically provided free of collateral. Such clients generally do not have a high level of nancial Āresilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, The Holding Company rely on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of loans.

In order to mitigate the impact of credit risk in the future profitability, The Holding Company makes reserves basis the expected credit loss (ECL) model for the outstanding loans as at balance sheet date.

(Amount in ₹ Lakhs)

Particulars	March 31,2026	March 31,2025
Loans	96,779.99	1,23,108.83
Trade receivable	-	-
Other Financial Assets	4,819.15	5,427.05

☞ **Liquidity Risk**

Liquidity risk is dened Āas the risk of incurring losses resulting from the inability to meet payment obligations in a timely manner when they become due. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is managing liquidity to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions in a timely manner, without incurring unacceptable losses or risking damage to The Holding Company's reputation.

The Holding Company consistently forcast cash flows and accordingly generates sufficient cash flows to meet its nancial Āobligations as and when they fall due. The Holding Company has obtained funding lines from multiple sources, including from borrowings, debt securities, subordinated liabilities to maintain a healthy mix of sources. The Holding Company also manages liquidity by raising funds through Securitisation / assignment transactions.

The maturity schedule for all nancial Āliabilities is regularly reviewed and monitored. Company has an Asset Liability Management (ALM) policy and has constituted an ALM Committee to review and monitor the liquidity risk and ensure the compliance with the prescribed regulatory requirement.

Maturity pattern of Liabilities as on March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Total
Borrowing*	7,079.26	5,849.72	12,788.15	13,527.49	18,697.94	43,791.73	805.44	1,02,539.72

Maturity pattern of Liabilities as on March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Total
Borrowing*	7,752.18	7,080.83	7,080.83	20,613.26	31,113.45	47,112.01	8,682.47	1,29,435.04

* Borrowing includes debt securities and subordinated liabilities

- **Market Risk**

Market risk is the risk that the fair value or future cash flows of a nancial Āinstrument will fluctuate because of changes in market factor. Such changes in the values of nancial Āinstruments may result from changes in the interest rates, credit, liquidity and other market changes.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return. The Holding Company is exposed to following types of market risks:

- **Interest rate risk**

Interest rate risk is the risk that the future cash flows of a nancial Āinstrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. The Holding Company's ALM Committee evaluates the maturities of assets and liabilities and ensures that all signicant Ā mismatches, if any, are being managed appropriately. The Holding Company adopts funding strategies to ensure diversied Āresource-raising options to minimize cost and maximize stability of funds.

Notes to financial statements for the year ended 31 March, 2026

- **Price risk**

  The Holding Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus in the highly liquid debt funds for very short durations. The Holding Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignicant Āprice risk, not being equity funds/ risk bearing instruments.

- **Foreign Currency risk**

  The Holding Company is exposed to foreign currency fluctuation risk for its external commercial borrowings (ECB). The ECB are governed by RBI guidelines. The Holding Company hedges its entire ECB exposure for the full tenure of the ECB.

  The Holding Company manages its currency risks by entering into derivative contracts as hedge positions. The Holding Company's exposure of foreign currency risk at the end of the reporting period expressed as follows:

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Hedged		
Liability-External Commercial Borrowings	1,65,00,000 USD 30,00,000 EURO	1,25,00,000 USD 30,00,000 EURO
Assets-Cross Currency Interest rate Swap Contract	1,65,00,000 USD 30,00,000 EURO	1,25,00,000 USD 30,00,000 EURO

☞ **Operational Risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The Holding Company recognises that operational risk event types that have the potential to result in substantial losses includes Internal fraud, external fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and nally Ā execution, delivery and process management.

The Holding Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

N. Transfer of Financial Assets

In the ordinary course of business, The Holding Company enters into transactions that result in the transfer of nancial Ā assets. In accordance with the accounting policy, the transferred nancial Ā assets continue to be recognised or derecognised as per the conditions specied Āin Ind AS 109 " Financial Instruments".

Securitisation Transaction:

During the period, The Holding Company has not entered into securitisation arrangement. Under such arrangement, The Holding Company retains substantial risks and rewards of such loan transferred and accordingly, does not derecognise the loans transferred in its entirety and recognises an associated liability for the consideration received.

The value of nancial Āassets and liabilities as on:

(Amount in ₹ Lakhs)

Particulars	March 31,2026	March 31,2025
Carrying amount of transferred assets measured at amortised cost	-	-
Carrying amount of associated liabilities	-	-

Notes to financial statements for the year ended 31 March, 2026

O. Expenditure on Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is applicable to The Holding Company and necessary expenses has been made as mentioned below:

(Amount in ₹ Lakhs)

Particulars	March 31,2026	March 31,2025
a) Gross amount required to be spent by The Holding Company during the year	80.16	79.52
b) Amount of Expenditure incurred		
(I) Construction/acquisition of any asset		
(ii) On purpose other than (i) above	80.16	79.52
c) Shortfall at the end of the year (a-b)	Nil	Nil
Total of previous years short fall	Nil	Nil
Reason for shortfall of CSR expenditure		
Nature of CSR activities	1. Child Education 2. Health Checkup Camp 3. Women Empowerment	1. Child Education 2. Health Checkup Camp 3. Women Empowerment
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard.	Nil	Nil
Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

Notes to financial statements for the year ended 31 March, 2026

P. Maturity analysis of assets and liabilities

Maturity analysis of assets and liabilities as at March 31, 2026

(Amount in ₹ Lakhs)

Particulars	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	13,689.04	-	13,689.04
Bank balances other than cash and cash equivalents	10,589.79	196.11	10,785.90
Derivative Financial Instruments	914.15	1,342.41	2,256.56
Loan portfolio	54,537.38	42,242.61	96,779.99
Investments		5,281.20	5,281.20
Other nancial Āassets	4,735.96	83.19	4,819.15
Total nancial Āassets	**84,466.32**	**49,145.52**	**1,33,611.84**
Non-nancial Āassets			
Current tax assets (net)	-	491.05	491.05
Deferred tax assets (net)	-	4,176.90	4,176.90
Property, plant and equipment	-	733.28	733.28
Right of Use	122.24	753.79	876.03
Other Intangible assets	-	943.49	943.49
Other non-nancial Āassets	-	1,945.58	1,945.58
Total non-nancial Āassets	**122.24**	**9,044.09**	**9,166.34**
Total assets	**84,588.56**	**58,189.61**	**1,42,778.18**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables			
(I) Total outstanding dues of Micro Enterprises and Small Enterprises	78.27	-	78.27
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	139.56	-	139.56
Debt securities*	4,565.76	14,095.59	18,661.34
Borrowings (other than debt securities) *	48,464.04	24,531.09	72,995.13
Subordinated liabilities*	4,912.76	5,970.48	10,883.25
Other nancial Āliabilities		5,574.77	5,574.77
Lease liabilities	66.67	950.77	1,017.44
Total nancial Āliabilities	**58,227.05**	**51,122.71**	**1,09,349.76**
Non-nancial Āliabilities			
Current tax liabilities (net)	-	-	-
Provisions	1,096.23		1,096.23
Other non-nancial Āliabilities	759.19		759.19
Total non-nancial Āliabilities	**1,855.42**	**-**	**1,855.42**
EQUITY			
Equity share capital	-	10,779.68	10,779.68
Other equity	-	20,793.33	20,793.33
Total equity	**-**	**31,572.99**	**31,572.99**
Total liabilities and equity	**60,082.47**	**82,695.70**	**1,42,778.18**

*All borrowings are disclosed based on the contractual maturities. There arecovenant breaches in some cases listed in note no. VV.

There has been no adverse impact on financial statement.

Notes to financial statements for the year ended 31 March, 2026

Maturity analysis of assets and liabilities as at March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	29,802.84	-	29,802.84
Bank balances other than cash and cash equivalents	6,365.62	1,392.50	7,758.12
Derivative Financial Instruments	-	200.89	200.89
Trade Receivables	-	-	-
Loan portfolio	82,153.00	40,955.83	1,23,108.83
Investments	-	7,925.36	7,925.36
Other nancial Āassets	5,348.55	78.51	5,427.05
Total nancial Āassets	**1,23,670.01**	**50,553.08**	**1,74,223.08**
Non-nancial Āassets			
Current tax assets (net)	-	299.57	299.57
Deferred tax assets (net)	-	1,020.75	1,020.75
Property, plant and equipment	-	1,103.32	1,103.32
Capital work in progress	-	-	-
Right of Use	144.18	898.05	1,042.24
Intangible assets under development	28.45	-	28.45
Other Intangible assets	-	1,209.83	1,209.83
Other non-nancial Āassets	-	431.92	431.92
Total non-nancial Āassets	**172.63**	**4,963.44**	**5,136.07**
Total assets	**1,23,842.63**	**55,516.52**	**1,79,359.15**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative Financial Instruments	-	-	-
Payables			
Trade payables			
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	93.78	-	93.78
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	131.16	-	131.16
Debt securities*	8,511.89	7,321.45	15,833.34
Borrowings (other than debt securities)*	65,128.67	37,628.28	1,02,756.95
Subordinated liabilities*	-	10,844.74	10,844.74
Other nancial Āliabilities	-	5,609.30	5,609.30
Lease liabilities	75.39	1,047.30	1,122.69
Total nancial Āliabilities	**73,940.89**	**62,451.06**	**1,36,391.987**
Non-nancial Āliabilities			
Current tax liabilities (net)	-	-	-
Provisions	1,134.28	-	1,134.28
Other non-nancial Āliabilities	1,188.05	-	1,188.05
Total non-nancial Āliabilities	**2,322.33**	**-**	**2,322.33**
EQUITY			
Equity share capital	-	10,779.68	10,779.68
Other equity	-	29,865.18	29,865.18
Total equity	**-**	**40,644.86**	**40,644.86**
Total liabilities and equity	**76,263.22**	**1,03,095.92**	**1,79,359.15**

Notes to financial statements for the year ended 31 March, 2026

Q. Changes in liability arising from nancing Āactivities (Ind AS 7 'Statement of Cash Flows')

For the year ended March 31, 2026 (Amount in ₹ Lakhs)

Name of Instrument	Opening	Cash flows	Others	Closing
Debt Securities	15,833.34	2,844.40	(16.40)	18,661.34
Borrowings (other than debt securities)	1,02,756.95	(29,680.85)	(80.97)	72,995.13
Sub-debt	10,844.74	-	38.51	10,883.25
Total	**1,29,435.03**	**(26,836.45)**	**(58.86)**	**1,02,539.72**

For the year ended March 31, 2025 (Amount in ₹ Lakhs)

Name of Instrument	Opening	Cash flows	Others	Closing
Debt Securities	20,776.03	(4,928.57)	(14.12)	15,833.34
Borrowings (other than debt securities)	1,40,609.76	(37,738.55)	(114.25)	1,02,756.95
Sub-debt	10,803.92	-	40.82	10,844.74
Total	**1,72,189.71**	**(42,667.12)**	**(87.55)**	**1,29,435.04**

R. Share based payment

Pursuant to a resolution passed by the members holding Equity shares vide Extra ordinary General Meeting held on June 23, 2018, The Holding Company has approved "LMF Employee Stock Option Plan 2018". The Holding Company has made amendment in the ESOP scheme 2018 vide board meeting dated May 20, 2021, and further amended and approved by the shareholders vide an ordinary resolution dated January 17,2024. The Plan covers 61,27,511 options. The plan allows the issue of options to employees of The Holding Company which are convertible to one equity share of The Holding Company.

During the year ended March 31, 2026, the following stock option grants were in operation:

(Amount in ₹ Lakhs)

	Particulars	Details				
1	Date of Grant	23/06/2018	15/06/2021	17/01/2024	23/06/2025	22/07/2025
2	No. of options granted	9,84,400	5,02,000	28,13,380	9,74,000	4,00,000
3	No of employees to whom such options were granted	4	35	41	43	2
4	Method of Settlement	Equity/Cash				
5	Graded Vesting period:					
	at the end of year 1	20%	20%	20%	20%	20%
	at the end of year 2	20%	20%	20%	20%	20%
	at the end of year 3	20%	20%	20%	20%	20%
	at the end of year 4	20%	20%	20%	20%	20%
	at the end of year 5	20%	20%	20%	20%	20%
	Subject to any other terms as stipulated in the LMF Employee Stock Option Plan 2018	Performance based vesting				
6	**Exercise Period** The Vested Options with an Option Grantee may be exercised only upon or in connection with happening of a Liquidity Event as per the LMF Employee Stock Option Plan 2018					
7	**Vesting conditions** Options granted under ESOP 2018 shall vest within the minimum period of one (1) year and maximum period of five (5) years from the date of Grant of such Options subject to continued employment with the Company and such other conditions specied Āunder LMF Employee Stock Option Plan 2018.					
8	**Average remaining contractual life (Years)**	**-**	**0.25**	**2.75**	**4.25**	**4.25**
9	**Average exercise price per option (₹)**	**10.63**	**37.70**	**66.00**	**74.90**	**74.90**

Notes to financial statements for the year ended 31 March, 2026

Particulars	Year ended on March 31, 2026	Year ended on March 31, 2025
Employee Stock Option Plan 2018		
Employee Stock Option outstanding at beginning of the year	39,94,780	42,16,380
Granted during the year	13,74,000	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	2,10,800	2,21,600
Outstanding during the year	51,57,980	39,94,780
Exercisable at the end of the year	-	-

Fair Valuation

The fair value of the options used to compute proforma net prot Āand earnings per share have been done by the independent valuer on the date of grant using Black-Scholes Merton formula. The key assumptions and the Fair value are as :

Name of Instrument	ESOP – I	ESOP – II	ESOP – III	ESOP – IV
Risk Free Interest Rate(%)	8.25%	5.43% to 5.91%	3.52% to 5.35%	6.76%
Option Life (years)	5 years	5 years	5 years	5 years
Historical Volatility	50.00%	50.00%	50.00%	18.16%
Expected Volatility	-	-	-	-
Expected Dividend yield (%)	0.00%	0.00%	0.00%	0.00%

S. Additional Regulatory Information

i. The Group does not hold any immovable property as on March 31, 2026and March 31, 2025. All the lease agreements are duly executed in favour of The Holding Company for properties where The Holding Company is the lessee.

ii. No proceedings have been initiated or pending against The Group for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder, as at March 31, 2026 and March 31, 2025.

iii. The Group is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2026 and March 31, 2025.

iv. The Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2026 and March 31, 2025.

v. There was no delay in the registration or satisfaction of any charges with Registrar of Companies during the year ended March 31, 2026 and March 31, 2025.

vi. The Holding 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.

vii. There was no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended March 31, 2026 and March 31, 2025.

viii. The Holding Company has borrowings from banks and financial institutions on the basis of security of nancial Āassets and the quarterly returns filed by The Holding Company with the banks and financial institutions are in accordance with the books of accounts of The Holding Company for the respective quarters.

ix. The Holding Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at March 31, 2026 are held by The Group in the form of deposits and invested in short term fund till the time the utilisation is made subsequently.

x. There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2026 and March 31, 2025., in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2026 and March 31, 2025.

Notes to financial statements for the year ended 31 March, 2026

xi. The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2026 and March 31, 2025.

xii. Except for transactions conducted in the ordinary course of The Group lending business:

A) The Group 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 identied Āin any manner whatsoever by or on behalf of The Holding Company (Ultimate Beneciaries) Āor

(b) provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (FundingParty) with the understanding (whether recorded in writing or otherwise) that The Group shall –

(a) directly or indirectly lend or invest in other persons or entities identied Āin any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneciaries) Āor

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Additional Disclosures required by the Reserve Bank of India

(Figures in the below disclosures are as per Ind AS nancial Āstatements except otherwise stated)

T. Capital to Risk Assets Ratio ('CRAR')

(Amount in ₹ Lakhs)

Particulars		March 31,2026	March 31,2025
i)	CRAR	26.92%	33.34%
ii)	CRAR – Tier I Capital	21.70%	26.47%
iii)	CRAR – Tier II Capital	5.22%	6.88%
iv)	Amount of Subordinated debt raised as capital Tier-II capital	5,000	8,000
v)	Amount raised by issuing perpetual debt instrument	Nil	Nil

U. Investments

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31,2026	March 31,2025
(1)	**Value of Investments**		
	(I) Gross Value of Investments		
	(a) In India	7,479.56	7,925.36
	(b) Outside India	Nil	Nil
	(ii) Provisions		
	(a) In India	2,198.36	Nil
	(b) Outside India	Nil	Nil
	(iii) Net Value of Investments		
	(a) In India	5,281.20	7,925.36
	(b) Outside India	Nil	Nil
(2)	**Movement of provisions held on investments**		
	(I) Opening balance	Nil	Nil
	(ii) Add: Provisions made during the year	2,198.36	Nil
	(iii) Less Write-off/ writeback of excess	Nil	Nil
	(iv) Closing Balance	2,198.36	Nil

Notes to financial statements for the year ended 31 March, 2026

V. Derivatives:

The Holding Company's activities expose it to the nancial Ā risk of changes in foreign exchange rates. The Holding Company uses derivative contracts such as currency swap to hedge its exposure to movements in foreign exchange. The use of these derivative contracts reduces the risk to The Holding Company and The Holding Companydoes not use those for trading or speculation purposes. The Holding Company uses hedging instruments. All derivative transactions that are entered into by The Holding Company are reported to the board, and the mark-to-mark on its portfolio is monitored regularly by the senior management.

Derivative nancial Ā instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date. Derivatives are classied Āas assets when the fair value is positive(positive market to market value) or as liabilities when the fair value is negative(negative market to market value). Derivative assets and liabilities are recognised on the balance sheet at fair value. Currency swaps held for the purpose of hedging foreign currency denominated external commercial borrowings are accounted as cash flow hedge. Fair value of derivative is ascertained by mark to market value received from the counter -Party Bank. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised , no longer qualies Āfor hedge accounting.

Quantitative Disclosure:

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31,2026	March 31,2025
i)	Derivatives (Notional Principal Amount)	16,530.15	12,943.75
ii)	Market to Market positions	2,256.56	200.89
	(a) Assets (+)	2,256.56	200.89
	(b) Liabilities (-)	Nil	Nil
iii)	Credit Exposure	Nil	Nil
iv)	Unhedged Exposures	Nil	Nil

W. Disclosures relating to securitisation

During the year The Holding Company has not sold loans through securitisation. The information on securitisation activity is as below :

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Total number of loans securitised during the year	Nil	Nil
Total book value of loans securitised during the year	Nil	Nil
Sale consideration received for loans securitised	Nil	Nil
Credit enhancements provided and outstanding (Gross) as at balance sheet date	Nil	Nil
Interest subordination	Nil	Nil
Principal subordination	Nil	Nil
Cash Collateral	Nil	Nil

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31,2026	March 31,2025
1	No. of SPVs sponsored by the NBFC for securitisation transactions	Nil	Nil
2	Total amount of securitised assets as per the books of the SPVs sponsored by the NBFC as on date of balance sheet:	Nil	Nil
3	Total amount of exposures retained to comply with minimum retention requirement ('MRR') as on date of balance sheet:	Nil	
	a) Off balance sheet exposures		
	- First loss	Nil	Nil
	-Others	Nil	Nil
	b) On balance sheet exposures (cash collateral and over collateral)		
	- First loss	Nil	Nil
	- Others	Nil	Nil

Notes to financial statements for the year ended 31 March, 2026

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31,2026	March 31,2025
4	Amount of exposures to other than MRR:		
	a) Off balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	ii) Exposure to third party securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	b) On balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil
	ii) Exposure to third party securitisations		
	- First loss	Nil	Nil
	- Others	Nil	Nil

X. Details of assignment transaction undertaken

The Holding Company has assigned loans by way of direct assignment. As per terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90%& 85% of the assets transferred to the buyer, the assets have been de-recognised from The Holding Company's Balance Sheet

Since The Holding Company transferred the above nancial Āasset in a transfer that qualied Āfor derecognition in its entirely, the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as 'Spread receivable on assignment portfolio' with a corresponding prot Āon derecognition of nancial Āasset.

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
No. of loans	1,31,273	1,50,572
Aggregate value of loans assigned	45,566.39	63,703.86
Aggregate consideration received	40,703.53	57,333.48
Income recognized in the statement of prot Āand loss	4,622.27	6,215.75
Cash collateral	Nil	Nil

Y. Details of nancial Āassets sold to Securitisation / Reconstruction Company for asset reconstruction

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Total number of loans	Nil	44,716
Aggregate principal outstanding of loans transferred (Rs. In lakhs)	Nil	15,509.64
Weighted average residual maturity (in months)	Nil	5.90
Net book value of loans transferred (at the time of transfer) (Rs. In lakhs)	Nil	2,520.00
Aggregate Consideration (Rs. In lakhs)	Ni	8,000.00
Additional consideration realized in respect of accounts transferred in earlier years (Rs. In lakhs)	Nil	Nil

Notes to financial statements for the year ended 31 March, 2026

Z. Asset Liability Maturity pattern of certain items of Assets and Liabilities (as compiled by management and relied upon by the auditor)

Maturity pattern of assets and liabilities as on March 31, 2026**

(Amount in ₹ Lakhs)

Particulars	1 to 7 Days	8 to 14 Days	15 to 30/31 Days	Over 1 Months upto 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year and upto 3 Years	Over 3 Year and upto 5 Years	Over 5 Years	Total
Advances	1,331.71	1,521.28	3,042.56	5,737.84	5,481.05	14,493.34	22,929.61	41,443.44	277.69	521.47	96,779.99
Investment	-	-	-	-	-	-	-	5,281.20	-	1.00	5,282.20
Borrowings*	1,815.07	910.62	4,353.57	5,849.72	12,788.15	13,527.49	18,697.94	43,791.73	805.43	-	1,02,539.72

Maturity pattern of assets and liabilities as on March 31, 2025**

(Amount in ₹ Lakhs)

Particulars	1 to 7 Days	8 to 14 Days	15 to 30/31 Days	Over 1 Months upto 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year and upto 3 Years	Over 3 Year and upto 5 Years	Over 5 Years	Total
Advances	1,653.55	1,889.80	3,777.31	7,553.99	7,553.99	21,692.13	38,032.25	40,289.66	666.16	-	1,23,108.84
Investment	-	-	-	-	-	-	-	7,925.36	-	-	7,925.36
Borrowings*	1,461.25	1,994.65	4,296.28	7,080.83	7,080.83	20,613.26	31,113.45	47,112.01	8,682.47	-	1,29,435.03

*Borrowings include foreign currency borrowings in the form of ECB which have been fully hedged.
**The amount mentioned above represent only principle outstanding on advance and borrowings.

AA. Exposures

The Holding Company has no exposure to the real estate sector and capital market directly or indirectly in the current or previous year.

BB. Intra-group exposures

The Holding Company has not given advances to Group companies as on March 31, 2026 and as on March 31, 2025.

CC. Unhedged foreign currency exposure

The Group has no unhedged foreign currency exposure as on March 31, 2026 and as on March 31, 2025.

DD. Divergence in Asset classification and provisioning

During the current as well as previous nancial Āyear, the RBI Supervisory Department conducted inspection of The Holding Company and identied Ā certain divergences in asset classication Ā and provisioning. There was no instance where the additional provisioning requirement assessed by the Reserve Bank of India (RBI) exceeded five percent of the reported prot Ābefore tax and impairment loss on nancial Āinstruments, nor any instance where additional gross NPAs identied Āby RBI exceeded five percent of the reported gross NPAs for the previous nancial Āyear.

EE. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Holding Company has not exceeded the Single Borrower Limit (SGL) i.e. 15% of its Owned fund / Group Borrower Limit (GBL) i.e. 25% of its own fund, during the current or previous year.

FF. Value of Imports calculated on CIF basis

The Group has not imported any goods therefore value of import on CIF basis is Nil in the current and previous year.

GG. Registration obtained from other nancial Āsector regulators

The Holding Company is registered with the Ministry of Finance (Financial IntelligenceUnit).

HH. Disclosure of penalties imposed by RBI and other regulators

No penalties were imposed by RBI or any other regulator during the current or the previous year.

Notes to financial statements for the year ended 31 March, 2026

II. Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2026

Deposit Instrument	Name of the rating agency	Date of rating assigned/reviewed	Amount (Rupees in lakhs)	Rating Assigned
NCD	CRISIL	31st March 2026	32,454.00	CRISIL BBB+
Term Loan Bank Facilities	CRISIL	31st March 2026	42,500.00	CRISIL BBB+
Term Loan Bank Facilities	CARE	7th October 2025	1,15,000.00	CARE BBB+
MFI Grading	SMERA Grading	30th June 2025	-	SMERA M1 (Highest Capacity of the MFI to manage its operations in a sustainable manner)
COCA	SMERA Grading	28th January 2026	-	SMERA C1 (Excellent performance on Code of Conduct dimensions)

Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2025

Deposit Instrument	Name of the rating agency	Date of rating assigned/reviewed	Amount (Rupees in lakhs)	Rating Assigned
NCD	CRISIL	21st January 2025	22,200.00	Crisil BBB+/Stable
Term Loan Bank Facilities	CRISIL	21st January 2025	42,500.00	Crisil BBB+/Stable
Term Loan Bank Facilities	CARE	8th October 2024	1,15,000.00	CARE BBB+; Negative
NCD	Brickworks	25th September 2024	4,000.00	Withdrawn
NCD	CARE	8th October 2024	5,000.00	CARE BBB+; Negative
MFI Grading	SMERA Grading	24th June 2024	-	SMERA M1 (Highest Capacity of the MFI to manage its operations in a sustainable manner)
COCA	SMERA Grading	24th December 2024	-	SMERA C1 (Excellent performance on Code of Conduct dimensions)

JJ. Remuneration of Directors

The Group has not entered into any transactions or in a pecuniary relationship with the non-executive directors other those as disclosed in note F above.

KK. Postponement of Revenue Recognition

There is no signicant Āuncertainty which requires postponement of revenue recognition.

LL. Provisions and Contingencies

(Amount in ₹ Lakhs)

Particulars	March 31,2026	March 31,2025
Provision made towards Income Tax	-	133.11
Provision towards NPA	2,937.21	1,990.55
Provision for standard assets	2,862.31	2,317.70
Provision for fraud	72.91	65.40
Provision for gratuity	381.67	263.38
Provision for compensated absence	474.29	376.56

MM. Draw down from Reserves

There has been no draw down from Reserves including security premium during the year ended March 31, 2026 (previous year: Nil) other than those disclosed under Note 20.

NN. Concentration of Deposits

The Group has not accepted any deposits during the year ended March 31, 2026 (previous year: Nil).

Notes to financial statements for the year ended 31 March, 2026

OO. Concentration of Advances, Exposures and NPAs

(Amount in ₹ Lakhs)

Particulars	March 31,2026	March 31,2025
Concentration of Advances		
Total Advances to twenty largest borrowers	**307.77**	**49.94**
(%) of Advances to twenty largest borrowers to Total Advances	0.21%	0.04%
Concentration of Exposures		
Total Advances to twenty largest borrowers	**307.77**	**49.94**
(%) of Advances to twenty largest borrowers to Total Exposure	0.21%	0.04%
Concentration of NPAs		
Total Exposure to top four NPA accounts	**16.53**	**3.89**

PP. Sector-wise NPAs

(Amount in ₹ Lakhs)

Sr. No.	Sector	(%) of NPAs to total advances in that sector as at March 31, 2026	(%) of NPAs to total advances in that sector as at March 31, 2025
1	Agriculture & allied activities	Nil	Nil
2	MSME	1.56%	0.05%
3	Corporate Borrowers	Nil	Nil
4	Services	Nil	Nil
5	Unsecured personal loans	Nil	Nil
6	Auto Loans	Nil	Nil
7	Other personal loans*	2.18%	2.18%

Other personal loans include microfinance loans whereas MSME includes non-microfinance loans

QQ. Movement of NPAs

(Amount in ₹ Lakhs)

Sr. No.	Particulars	March 31,2026	March 31,2025
1	Net NPAs to Net Advances(%)	0.86%	0.53%
2	Movementof NPAs (Gross)		
	(I) Opening balance	2,659.38	2,939.51
	(ii) Additions during the year	9,534.16	10,879.21
	(iii) Reductions during the year	271.06	1,070.13
	(iv) Write-off	7,403.72*	10,089.21
	(v) Closing balance	4,518.78	2,659.38
3	Movement of Net NPAs		
	(I) Opening balance	668.83	738.98
	(ii) Additions during the year	1,577.04	4,321.12
	(iii) Reductions during the year	664.19	4,391.27
	(iv) Closing balance	1,581.68	668.83
4	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(I) Opening balance	1,990.55	2,200.53
	(ii) Provisions made during the year	2,930.46	6,558.09
	(iii) Write-off / write-back of excess provisions	(1,983.92)	(6,768.07)
	(iv) Closing balance	2,937.1	1,990.55

'*Including Technical Written off of Rs.734.40 lakhs.

RR. Overseas Assets and Off-Balance Sheet SPVs sponsored

The Group does not own any assets outside the country and any off-balance Sheet SPVs sponsored.

Notes to financial statements for the year ended 31 March, 2026

SS. Disclosure of Complaints

(Amount in ₹ Lakhs)

	Particulars	2025-26	2024-25
	Complaints received by the NBFC from its customers		
1	No. of complaints pending at the beginning of the year	Nil	Nil
2	No. of complaints received during the year	77	112
3	Number of complaints disposed during the year	77	112
	3.1 Of which, number of complaints rejected by the NBFC	Nil	Nil
4	Number of complaints pending at the end of the year	Nil	Nil
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	4	15
	5.1. Of 5, number of complaints resolved in Favour of the NBFC by Office of Ombudsman	4	15
	5.2 Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	Nil	Nil
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

Top five grounds of complaints received by the NBFC from Customers - 2025-26

Grounds of Complaints, (i.e. complaints relating to)	Number of Complaints pending at the beginning of the year	Number of Complaints received during the year	% of increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Staff Behaviour	-	31	29% Increase	-	-
EMI Paid still showing as due	-	14	64% Decrease	-	-
Staff Fraud	-	12	200% Increase	-	-
Insurance Related	-	8	167% Increase	-	-
Loan closed but shown active in system	-	4	75% Decrease	-	-

2024-25

Grounds of Complaints, (i.e. complaints relating to)	Number of Complaints pending at the beginning of the year	Number of Complaints received during the year	% of increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
EMI Paid still showing as due	-	39	13% Decrease	-	-
Credit Bureau Issue	-	24	27% Decrease	-	-
Staff Behaviour	-	24	60% Decrease	-	-
Loan closed but shown active in system	-	16	38% Decrease	-	-
Loan amount not received - NEFT related	-	3	There is no Increase/decrease	-	-

Notes to financial statements for the year ended 31 March, 2026

TT. Disclosure of Frauds recorded during the year to RBI vide DNBS PD.CC NO. 256/03.10.042/2011-12 dated March 02, 2012

(Amount in ₹ Lakhs)

Nature of fraud (cash embezzlement) *	2025-26	2024-25
Number of cases	674	207
Amount of fraud	89.87	63.89
Recovery	82.36	18.75
Amount written off / Provision made	7.51	45.14

*** Including Robbery/theft incidents.**

UU. Convenant Complaince

The microfinance industry has been undergoing a phase of transition in the current nancial Āyear, shaped by various evolving factors such as adjustments to the Joint Liability Group (JLG) model, shifts in borrower discipline, climate-related changes, and increasing borrower . nancial responsibilities. While these developments have presented operational challenges, including disruptions in centre meetings, they also offer opportunities for adaptation and resilience. During the year ended March 31, 2026 certain covenants have been breached.The Holding Company remains committed to strengthening recovery efforts at the ground level, fostering sustainable borrower engagement, and implementing proactive strategies to navigate these changes. With a focus on innovation and collaboration, we are confident in achieving improved outcomes and reinforcing our mission of financial empowerment.

The Holding Company has maintained ongoing communication with its lenders, ensuring that no immediate repayment of borrowed funds will be demanded due to covenant breaches. None of the lenders has indicated any actions, financial charges or liabilities arising from covenant breaches. Accordingly, no adjustment(s) are required in these financial results.

Furthermore, The Holding Company has applied for waiver applications to its lenders and is currently in the process of securing those waivers that have not yet been obtained.

VV. The Holding Company is required to maintain minimum qualifying criteria of 60% of its total assets (netted off by intangible assets) towards “microfinance loans” as defined under paragraph 51 of the Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 updated as on April 1, 2026 as per paragraph 12 of the Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025. As at March 31, 2026, the Holding Company's' qualifying assets (i.e. microfinance loans to total assets) is 52.03%, in respect of which the Holding Company has intimated the same to Reserve Bank of India vide its letter dated 23thApril, 2026.

Notes to financial statements for the year ended 31 March, 2026

WW. Comparison of Provision required under IRACP norms and impairment allowances made under Ind AS 109:

For the year ended March 31, 2026:

(Amount in ₹ Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	97,423.57	1,025.98	96,397.59	2,528.28	3,271.24
	Stage 2	831.56	364.33	467.23		
Subtotal (A)		**98,255.13**	**1,390.32**	**96,864.82**		
Non-Performing Assets (NPA)						
Sub-standard	Stage 3 **	4,516.07	2,935.45	1,580.62		
Doubtful						
Upto 1 year	Stage 3	2.62	1.71	0.92		
1 to 3 years	-					
More than 3 years	-					
Loss assets	Stage 3	0.09	0.06	0.03		
Subtotal (B)		**4,518.78**	**2,937.22**	**1,581.57**		
Total	**Stage 1**	**97,423.57**	**1,025.98**	**96,397.59**	**2,528.28**	**3,271.24**
	Stage 2	**831.56**	**364.33**	**467.23**		
	Stage 3	**4,518.78**	**2,937.22**	**1,581.57**		
	Technical W/o	**734.40**	**734.40**	**-**		
	Management Overlay, FLDG	**-**	**737.59**	**(737.59)**		
Total		**1,03,508.31**	**5,799.52**	**97,708.8**	**2,528.28**	**3,271.24**

For the year ended March 31, 2025:

(Amount in ₹ Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	125,069.06	1,375.60	123,693.46		
	Stage 2	1,538.85	942.10	596.75		
Subtotal (A)		**126,607.91**	**2,317.70**	**1,24,290.21**		
Non-Performing Assets (NPA)						
Sub-standard	Stage 3 **	2,497.59	1,828.76	668.83	1,247.91	3,060.34
Doubtful						
Upto 1 year	Stage 3	115.25	115.25	-		
1 to 3 years	-					
More than 3 years	-					
Loss assets	Stage 3	46.54	46.54	-		
Subtotal (B)		**2,659.38**	**1,990.55**	**668.83**		
Total	**Stage 1**	**125,069.06**	**1,375.60**	**123,693.46**		
	Stage 2	**1,538.85**	**942.10**	**596.75**	**1,247.91**	**3,060.34**
	Stage 3	**2,659.38**	**1990.55**	**668.83**		
	Total	**129,267.29**	**4,308.25**	**124,959.04**	**1,247.91**	**3,060.34**

Notes to financial statements for the year ended 31 March, 2026

* The provision required as per IRACP norms has been calculated on the aggregate loan portfolio after derecognising the securitised assets which meets the de-recognition criteria under the previous GAAP. The details are as below.

Provision as per IRACP norms	2025-26	2024-25
1% of Loan portfolio (A)	885.68	1,247.65
50% of 90+ overdue and 100% of 180+ overdue (B)	2,394.66	553.75
Higher of (A) or (B)	2,394.66	1,247.65
Other off book and covid provision	36.44	0.26
Total Provision	**2,528.28**	**1,247.91**

**Stage 3 assets contain those loan accounts also which are below 90 DPD but falls under NPA Category.

XX. Information on Net Interest Margin

Quarterly Net Interest Margin

Particulars	March 31, 2026			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Average lending rate	19.33%	19.49%	20.20%	20.34%
Average effective cost of borrowing	11.69%	12.11%	12.08%	11.94%

Particulars	March 31, 2025			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Average lending rate	24.59%	23.98%	22.84%	22.96%
Average effective cost of borrowing	12.00%	11.88%	11.91%	12.17%

YY. Disclosures as required for liquidity risk

Funding Concentration based on signicant Ācounterparty (both deposits and borrowings)

(Amount in ₹ Lakhs)

Particulars	March 31, 2026	March 31, 2025
Number of significant counter parties*	26	31
Amount	1,03,243.12	1,31,169.15
Percentage of funding concentration to total deposits	-	-
Percentage of funding concentration to total liabilities	100%	100%

*Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Top 20 large deposits

Particulars	March 31, 2026	March 31, 2025
Total amount of top 20 deposits	Nil	Nil
Percentage of amount of top 20 deposits to total deposits	Nil	Nil

Top 10 borrowings

Particulars	March 31, 2026	March 31, 2025
Total amount of top 10 borrowings	73,597.98	92,089.24
Percentage of amount of top 10 borrowings to total borrowings	71.34%	70.21%

Notes to financial statements for the year ended 31 March, 2026

Funding Concentration based on signicant Āinstrument/product*

(Amount in ₹ Lakhs)

Sr. No.	Name of the instrument/product	March 31,2026	% of Total Liabilities
1	Non-Convertible Debentures (Secured)	18,740.00	18.15%
2	Term Loans from Banks	31,636.41	30.64%
3	Term Loans from Non-banking financial companies	22,954.20	22.23%
4	External commercial borrowings	18,912.20	18.32%
5	Non-Convertible Debentures (Unsecured)	4,000.00	3.87%
6	Non-Convertible Preference Shares	NIL	NIL
7	Subordinated Debt (Tier II)	7,000.00	6.78%
8	Cash Credit	NIL	NIL

(Amount in ₹ Lakhs)

Sr. No.	Name of the instrument/product	March 31,2025	% of Total Liabilities
1	Non-Convertible Debentures (Secured)	15,895.60	12.12%
2	Term Loans from Banks	75,577.29	57.62%
3	Term Loans from Non-banking financial companies	14,438.98	11.01%
4	External commercial borrowings	13,463.18	10.26%
5	Non-Convertible Debentures (Unsecured)	4,000.00	3.05%
6	Non-Convertible Preference Shares	NIL	NIL
7	Subordinated Debt (Tier II)	7,000.00	5.34%
8	Cash Credit	794.10	0.61%

*Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) C.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Stock ratios

Sr. No.	Stock Ratio	March 31,2026	March 31,2025
1	Commercial papers as a % of total public funds	Nil	Nil
2	Commercial papers as a % of total liabilities	Nil	Nil
3	Commercial papers as a % of total assets	Nil	Nil
4	Non-Convertible Debentures (original maturity of less than one year) as a % of total public funds	Nil	Nil
5	Non-Convertible Debentures (original maturity of less than one year) as a % of total liabilities	Nil	Nil
6	Non-Convertible Debentures (original maturity of less than one year) as a % of total assets	Nil	Nil
7	Other short-term liabilities as a % of total public funds	Nil	Nil
8	Other short-term liabilities as a % of total liabilities	Nil	Nil
9	Other short-term liabilities as a % of total assets	Nil	Nil

*Public funds are as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Notes to financial statements for the year ended 31 March, 2026

ZZ. Disclosure on Transfer of Loan Exposures

Disclosures pursuant to Reserve Bank of India (All India Financial Institutions – Transfer and Distribution of Credit Risk) Directions, 2025 dated November 28, 2025.

(i) Details of loans not in default transferred through assignment:

(Amount in ₹ Lakhs)

Particulars	2025-26	2024-25
Aggregate amount of loans transferred	45,566.39	63,703.86
Weighted average maturity (in months)	13.32	15.35
Weighted average holding period (in months)	11.93	10.01
Retention of beneficial economic interest by the originator	10% and 15%- 9 Transactions	10%-10 Transactions
Tangible security cover	Nil	Nil
Rating-wise distribution of rated loans	Not Rated	Not Rated

(ii) The Holding Company hasacquired loan through assignment during the year ended March 31, 2026.

Particulars	2025-26	2024-25
Aggregate principal outstanding of loans acquired (Rs. In Lakhs)	4,960.17	Nil
Weighted average maturity (in months)	15.03	Nil
Weighted average holding period (in months)	9.42	Nil
Average retention of beneficial economic interest (MRR)(%)	10% 1 transaction	Nil
Average coverage of tangible security (%)	NA	Nil
Rating wise distribution of loans acquired	Nil	Nil

(iii) The Holding Company has not transferred anynon-performing assets (NPA's) during the year ended March 31, 2026.

(iv) The Holding Company has not acquired any stressed loan during the year ended March 31, 2026.

Notes to financial statements for the year ended 31 March, 2025

AAA. Schedule to the Balance Sheet of a Non-Banking Financial Company

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
Liabilities side :				
1 **Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid*:**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
(a) Debentures				
Secured	18,661.34	-	15,833.34	-
Unsecured (other than falling within the meaning of public deposits)	3,883.25	-	3,853.48	-
(b) Deferred Credits		-		-
(c) Term Loans	52,946.93	-	88,587.29	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
- External Commercial borrowing	18,870.38	-	13,375.56	-
- Cash Credit	-	-	794.10	-
- FDOD	1,177.83	-	-	-
- Subordinated Liabilities	7,000.00	-	6.991.27	-
2 **Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid): *Refer with schedule 13,14 and 15 of nancial Āstatement.**				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
Assets side:				
3 **Break-up of Loans and Advances including bills receivables [other than those included in (4) below]**:**				
(a) Secured	148.35		-	-
(b) Unsecured	96,631.64	2,992.18	1,23,108.83	1,431.34
*Refer with schedule 5 of financial statement.				
4 **Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities**				
(I) Lease assets including lease rentals under sundry debtors:				
(a) Financial lease	-	-	-	-
(b) Operating lease	-	-	-	-
(ii) Stock on hire including hire charges under sundry debtors:				
(a) Assets on hire	-	-	-	-
(b) Repossessed Assets	-	-	-	-
(iii) Hypothecation loans counting towards EL/HP activities				
(a) Loans where assets have been repossessed	-	-	-	-
(b) Loans other than (a) above	-	-	-	-

Notes to financial statements for the year ended 31 March, 2026

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
5 Break-up of Investments:				
Current Investments:				
1. Quoted:				
(I) Shares:				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others – Pass through Certificate	-	-	-	-
Others – Security Receipts	5,281.20	-	7,925.36	-
2. Unquoted:				
(I) Shares:				
(a) Equity	-	-	-	-
b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others - Fixed Deposits	10,785.90	-	10,258.12	-

6. Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:

As at 31st March 2026

Category	Amount net of provisions (Amount in ₹ Lakhs)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	73.96	Nil	73.96
2. Other than related parties	**74.39**	**96,631.64**	**96,706.03**
Total	**148.35**	**96,631.64**	**96,779.99**

As at 31st March 2025

Category	Amount net of provisions (Amount in ₹ Lakhs)		
	Secured	Unsecured	Total
1. Related Parties			
(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**	**1,23,108.83**	**1,23,108.83**
Total	**Nil**	**1,23,108.83**	**1,23,108.83**

Notes to financial statements for the year ended 31 March, 2026

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

As at 31st March, 2026

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
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	**5,281.20**	**5,281.20**
Total	**5,281.20**	**5,281.20**

As at 31st March,2025

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
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	**7,925.36**	**7,925.36**
Total	**7,925.36**	**7,925.36**

8. Other information

(Amount in ₹ Lakhs)

Particulars	As at March 31,2026	As at March 31,2025
(I) Gross Non-Performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	4,518.78	2,659.38
(ii) Net Non-Performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	1,581.68	668.83
(iii) Assets acquired in satisfaction of debt	Nil	Nil

BBB. Loans to Directors. Senior officers and Relatives of Directors

(Amount in ₹ Lakhs)

Particulars	As at March 31,2026	As at March 31,2025
Directors and their relatives	73.96	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	17.73	-

Notes to financial statements for the year ended 31 March, 2026

CCC. The Holding Company has entered in any Co-lending arrangement during the year ended as on March 31, 2026 and the details of the same are as under.

(Amount in ₹ Lakhs)

Particulars	As at March 31,2026	As at March 31, 2025
Portfolio Outstanding	6,176.63	-
Weighted Average Rate of Interest	17.87%	-
Sector	Textiles | Specialty | Household Products | Jewellery | Auto / Automotive | Rubber / Industrial	-
NPA	49.70	-
FLDG outstanding	50.58	-

DDD During the year ended March 31, 2026, the microfinance sector continued to witness stress arising from borrower over-indebtedness, challenges in the joint liability group lending model and certain regional disruptions, which impacted collection efficiencies and led to higher delinquencies in portions of the legacy loan portfolio originated in earlier periods. Consequently, the Holding Company recognised higher impairment costs during the year ended March 31, 2026. The Holding Company undertook technical write-offs during the year ended March 31, 2026, aggregating to a principal outstanding of Rs. 734.4 Lakhs (Light Share). The selection of accounts for technical write-off was based on objective criteria identified by the management as loss assets in line with the Holding Company's credit loss policy framed as per Ind AS 109 - Financial Instruments. The Holding Company continues to pursue recovery actions in respect of written-off accounts in line with its recovery processes. Loans originated during FY2026 exhibited stable performance, while overall collection efficiency across all buckets improved steadily over the course of the year. These trends reflect the positive impact of strengthened underwriting standards and enhanced risk management practices. In light of the improvement observed across key operating and credit parameters, the Holding Company believes that its existing provisioning and recovery-led approach remains appropriate, and that accelerated write-offs are no longer warranted. Accordingly, the write-offs recognised during the year are aligned with the Holding Company's impairment assessment framework.

EEE The Government of India has consolidated 29 existing labour laws into four Labour Codes: Code on Wages, 2019; Code on Social Security, 2020; Industrial Relations Code, 2020; and Occupational Safety, Health and Working Conditions Code, 2020. These Codes became effective from November 21, 2025. The Ministry of Labour & Employment has issued draft Central Rules and FAQs to facilitate understanding of the regulatory changes and to enable assessment of their financial implications. Based on the information presently available and in accordance with the guidance issued by the Institute of Chartered Accountants of India (ICAI), management has assessed that the incremental impact arising from the Labour Codes is not material and, accordingly, the same has been considered in the consolidated financial statements for the year ended March 31, 2026. The Central and State Rules under the Labour Codes are yet to be notified and, upon such notification, The Group continues to monitor the finalisation of Central and State Rules, as well as further clarifications from the Government, and will evaluate and reflect any additional impact in its books of accounts as appropriate.

FFF Figures of previous year has been regrouped/ reclassified, wherever necessary, to correspond with the figures of the current year.

As per our attached report of even date

For Talati & Talati LLP
Chartered Accountants
FRN No. 110758W/W100377

Anand Sharma
Partner
Membership No. : 129033

Place : Ahmedabad

Date: 27th May, 2026

For Light Microfinance Pvt Ltd

Deepak Amin
Managing Director

DIN- 01289453

Rakesh Kumar
Chief Executive Officer &
Executive Director
DIN-03430670

Aviral Saini
Chief Financial Officer &
Executive Director
DIN-03534719

Madhavi Gajjar
Company Secretary &
Chief Compliance Officer
M.No. A54522

LIGHT MICROFINANCE PRIVATE LIMITED

Reg office: 308 Aggarwal Tower, Plot No. 2 Sector – 5, Dwarka New Delhi - 110075
Corporate Office: 1501 15th Floor Sankalp Square 3B Sindhu Bhavan Road
B/s Hotel Taj Skyline Shilaj Ahmedabad, Bopal, Ahmedabad, Daskroi, Gujarat, India, 380058
Website: www.lightfinance.com, Email: info@lightfinance.com
CIN: U67120DL1994PTC216764

Notice

NOTICE IS HEREBY GIVEN THAT THE 32nd ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF LIGHT MICROFINANCE PRIVATE LIMITED WILL BE HELD ON FRIDAY, SEPTEMBER 25, 2026, AT 11:30 A.M. (IST) THROUGH VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS("OAVM"), TO TRANSACT THE FOLLOWING BUSINESS:

- **ORDINARY BUSINESS:**

ITEM 01:

To consider and adopt (a) the audited nancial Āstatement of the Company for the nancial Āyear ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated nancial Āstatement of the Company for the nancial Āyear ended March 31, 2026 and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

- **NOTE**

To receive, consider and adopt the audited standalone and consolidated nancial Āstatements of the Company for the financial year ended on March 31, 2026, and reports of Board of Directors and Auditor thereon.

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

"**RESOLVED THAT** the audited standalone nancial Āstatement of the Company for the nancial Āyear ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

"**RESOLVED THAT** the audited consolidated nancial Āstatement of the Company for the nancial Āyear ended March 31, 2026 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

"**RESOLVED FURTHER THAT** Mr. Deepak Amin, Managing Director, Mr. Rakesh Kumar, CEO & Executive Director, and Mr. Aviral Saini, CFO & Executive Director of the Company be & are hereby severally authorized to do all such acts, things and deeds as may be necessary and incidental thereto."

"**RESOLVED FURTHER THAT** a copy of the foregoing resolution certied Āto be true under the signature of any of the Executive Directors or Company Secretary of the Company be provided to any regulator or any other concerned departments for their reference and records."

By Order of the Board of Directors
LIGHT MICROFINANCE PRIVATE LIMITED

Date: August 11, 2026
Place: Ahmedabad

RAKESH KUMAR
CEO & EXECUTIVE DIRECTOR
DIN: 03430670

- NOTES:

1. The Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated September 22, 2025 read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the registered office of the Company.

2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.

3. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.

4. Electronic copy of the Notice of the 32nd Annual General Meeting of the Company is being sent to all the members whose email IDs are registered with the Company for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs and for others physical copies of the Notice of the 32nd Annual General Meeting of the Company is being sent in the permitted mode.

5. Members may also note that the Notice of the 32nd Annual General Meeting, and the Annual Report for 2025-26 will also be available on the Company's website www.lightfinance.com and websites of the Stock Exchange, i.e., BSE Limited at www.bseindia.com for their download till the date of Annual General Meeting. The physical copies of the aforesaid documents will also be available at the Company's Corporate Office at Ahmedabad for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company's investor email id: compliance@lightfinance.com

6. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Corporate Office of the Company during normal business hours (9:00 a.m. to 6:00 p.m.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.

7. Members desiring to vote shall send the Ballot Paper enclosed with this Notice to the Scrutinizer, CS Chirag Shah, Practicing Company Secretary, duly completed and signed on pcschirag@gmail.com not later than 24 hours of conclusion of AGM. Any Ballot Paper received after that will be strictly treated as if the reply from the Members has not been received.

8. The Ballot Paper should be signed by the Member as per the specimen signature registered with the Company/Depository Participants. In case of joint holding, the Ballot Paper should be completed and signed by the rst Ānamed Member and in his/her absence, by the next named joint holder. A Power of Attorney ("POA") holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot Paper is not permitted through proxy.

9. Pursuant to the provisions of Section 112 and 113 of the Companies Act, 2013 read with the applicable MCA Circulars, corporate and institutional members (companies, mutual funds, trusts, societies, etc.) are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM on their behalf and participate on their behalf. The duly completed Ballot Paper should be accompanied by a certied Ā copy of the relevant Board Resolution/Authorization together with attested specimen signature(s) of the duly authorized signatory(ies).

10 In accordance with the aforementioned MCA circulars, the Notice of the 32nd AGM and the Annual Report for the nancial Ā year 2025 - 26 including therein the Audited Financial Statements for the year 2025-26, will be available on the website of the Company at https://www.lightfinance.com/resources/ and the website of stock exchanges at Bombay Stock Exchanges of India Ltd at www.bseindia.com.

11. Votes should be cast in case of each resolution, either in favor or against, by putting the tick (✓) mark in the column provided in the Ballot Paper for assent / dissent.

12. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Papers will be rejected. A Ballot Paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favor or against or if the signature cannot be verified.

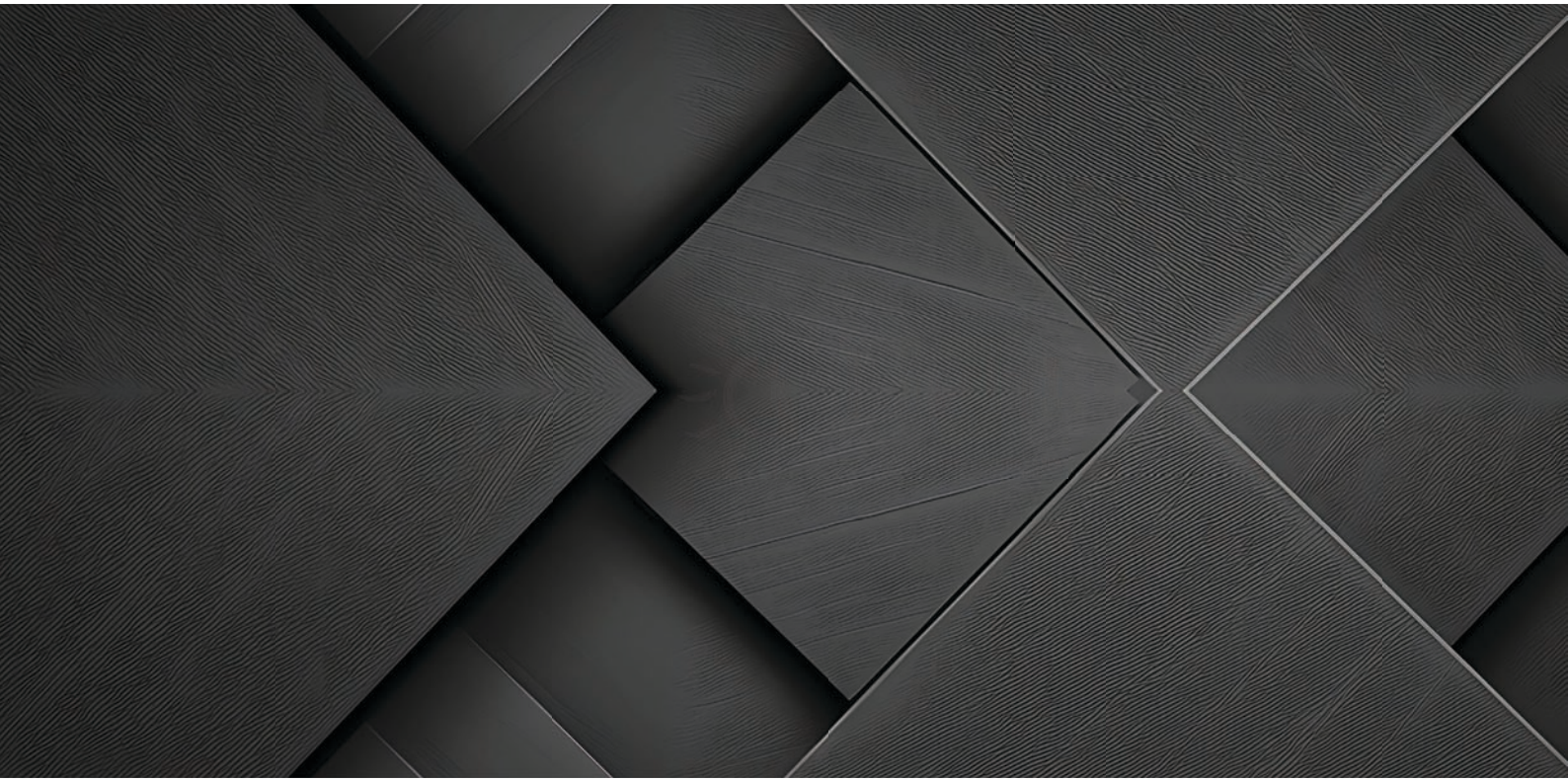
13. The decision of the Scrutinizer on the validity of the Ballot Paper and any other related matters shall be final.

By Order of the Board of Directors
LIGHT MICROFINANCE PRIVATE LIMITED

Date: August 11, 2026
Place: Ahmedabad

RAKESH KUMAR
CEO & EXECUTIVE DIRECTOR
DIN: 03430670

Notes



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